Infotech: CCI Cracks The Whip

Moonlighting: The New Bug

Edtech: A Brief Blip

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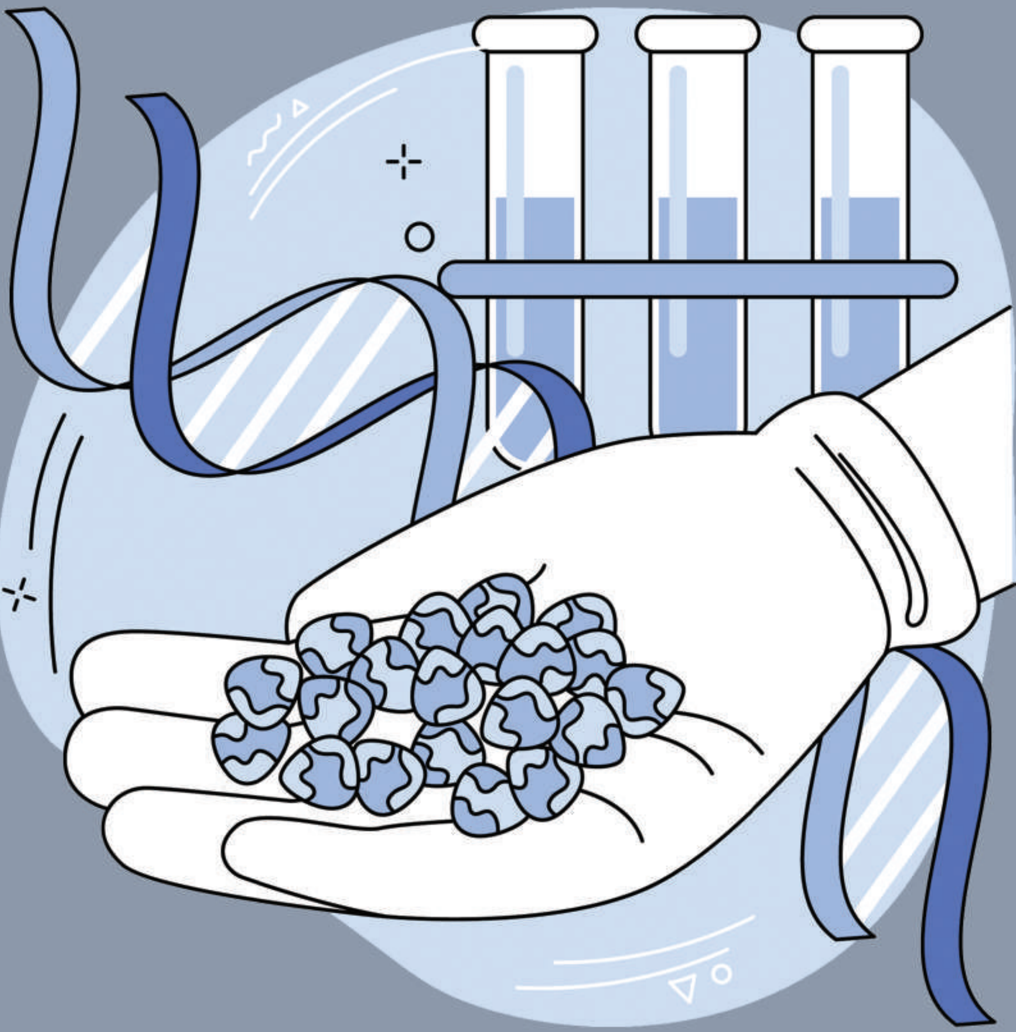

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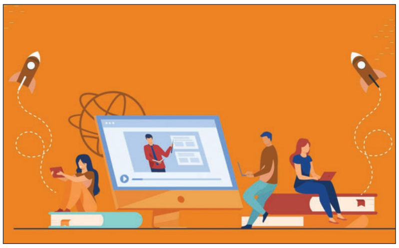

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The UN climate meet reached a breakthrough with a decision to set up a Loss and Damage Fund.

A Lot Of Hot Air

A new fund is a big takeaway of the recently-concluded COP27. Negotiators at the 27th Conference of Parties (COP27) of the United Nations Framework Convention on Climate Change (UNFCCC) – popular by its shortened version as COP27 – kept the midnight oil burning to work on the broad contours of the proposed Loss and Damage Fund.

The Loss and Damage Fund was the result of the G-77, a group of 134 developing nations, staying united on the issue. The decision took decades after the concept of the fund was first mooted. This is testimony that developed nations continue to remain reluctant on assuming meaningful climate responsibility. The rich, developed nations account for a disproportionate share of the historical post-industrial emissions. However, they urge the developing world to take on the mantle of climate leadership.

After its inclusion at the climate meet in Sharm el-Sheikh in Egypt, the fund got embroiled in the perennial strife of funding. The US and the EU resisted all attempts to create a separate corpus. They instead kept arguing that a chunk of the existing funds could be diverted for mitigating the loss and damage caused by climate change.

Finally, on the penultimate day of the conference, the EU agreed to create the new fund on the condition that developing countries that are big emitters should not be included as recipients. Instead, a way should be found to include them as potential donors. Developing countries saw this as a tactic to create a rift among them. Finally, a compromise was reached. Accordingly, the most vulnerable countries impacted by climate change will be prioritised to receive financial aid from the new fund. Moreover, an option will be kept open for the big emitters among the developing countries – India, China and similar such countries – to contribute to the new fund.

There are still a host of unanswered questions amid all the euphoria over a breakthrough on the new fund. The details on how the fund is to be operationalised remain hazy. The COP27 text does not indicate when it is to be finalised, and how exactly it is to be funded. There is mention of a transitional committee that will work on the details of operationalising the fund. But the issue gets muddled as there are no deadlines set for the committee to deliver.

Meanwhile, the Loss and Damage Fund ironically masks the failure of the climate meet to deliver on the core issues. The harsh reality is that the COP27 once again reaffirmed the goal of limiting global warming to 1.5 degrees centigrade above the pre-industrial levels. But apart from reiterating the oft-repeated goal, no agreement was reached on phasedown of all fossil fuels.

The new fund ironically masks the failure of the climate meet to deliver on the core issues. The harsh reality is that the COP27 once again reaffirmed the goal of limiting global warming to 1.5 degrees centigrade above the pre-industrial levels without making concrete moves.

The COP26 at Glasgow had agreed on a phasedown of coal-fired power plants and phaseout of inefficient fossil fuel subsidies. India, which has made substantial commitments on adoption of renewable energy sources, had insisted that oil and natural gas too are included as fossil fuels and not just limit them to coal. But a post-pandemic world's peculiar dynamics of demand and supply of energy sources have brought coal back to the global centrestage. Many European nations that were effectively phasing out coal have embraced the black gold as if there was no tomorrow. Besides, the Russian war on Ukraine has further complicated the matter in favour of coal.

So, the 1.5 degree centigrade goal still remains a very distant one. Optimism on the Loss and Damage Fund fades away quickly with many contentious issues, like operationalising it, remaining unaddressed. All in all, the outcome of the Sharm el-Sheikh meet ends up as a lot of hot air.

MISCELLANEOUS

Karnataka set to get six hi-tech cities Karnataka will get six new high-tech cities across districts and also a new startup park near the Bengaluru airport, Chief Minister Basavaraj Bommai has announced while addressing a gathering at the 25th Bengaluru Tech Summit last month. The planned high-tech cities will be built in Hubballi, Dharwad, Mysuru, Mangaluru, central Karnataka and near Bengaluru in six months from now. These projects will promote science, technology and innovative ideas, Mr Bommai has added. "The decision to build a startup park and high-tech cities has been made after realising the enthusiasm and the scope for developing startup ideas in Bengaluru," he has said.

Q2 economic growth slows down to 6.3% Economic growth slowed down to 6.3 per cent in the July-September quarter of FY23, dragged down mainly by poor performance of manufacturing and mining sectors. "Real GDP or GDP at constant (2011-12) prices in Q2 2022-23 is estimated at Rs 38.17 lakh crore as against Rs 35.89 lakh crore in Q2 2021-22, showing growth of 6.3 per cent as compared to 8.4 per cent in Q2 2021-22," the NSO statement has said. The NSO stated that nominal GDP or GDP at current prices in Q2 2022-23 is estimated at Rs 65.31 lakh crore as against Rs 56.20 lakh crore in Q2 2021-22, showing growth of 16.2 per cent as compared to 19.0 per cent in Q2 2021-22.

Centre scraps Export Duty on iron, steel The government has removed Export Duty on steel products and raw materials almost six months after it was imposed to rein in inflation. A statement last month has said that the Central government has restored the status quo as was prevailing prior to May 22, 2022, and withdrawn the Export Duty on iron ore lumps and fines below 58 per cent iron content, iron ore pellets and specified steel products, including pig iron. Import Duty concessions on anthracite, PCI coal, coking coal, coke and semi-coke and ferronickel have also been withdrawn.

Draft Data Protection Bill, 2022 released The new Digital Personal Data Protection Bill, 2022, is focused on personal data as compared to an earlier unwieldy draft. The reworked version of the legislation incorporates hefty penalties for non-compliance, which are capped without any link to the turnover of the entity in question. It has also relaxed rules on cross-border data flows that could bring relief to the big tech companies. There is a provision for easier compliance requirements for startups. A near blanket exemption for government agencies from complying with some of the more onerous requirements under the Bill and a dilution of the remit of the proposed Data Protection Board have come in for criticism.

Rural wage growth still in negative zone Growth in real rural wages is now negative for the tenth straight month to September. While the contraction is largely due to elevated inflation, the sluggishness in the rural economy has left demand for labour subdued, thereby capping nominal wages. Rural India is yet to restore the millions of jobs lost during the pandemic. On a net basis, rural employment is even now 8.3 million less than it was before pandemic, according to a study by Kotak Institutional Equities. The services industry itself is yet to regenerate 7.9 million of the jobs lost during the pandemic.

Cities hit by high population, other woes India is projected to see an explosion in its urban population in coming decades, but its cities already cannot cope, and climate change will make living conditions still harsher. The metropolis of Mumbai, one of India's biggest, grew by some 80 lakh people in the past 30 years – the rough equivalent of the whole of New York City –to a population of 2 crore and is forecast to add another 70 lakh by 2035. Like other Indian megacities, Mumbai's housing, transport, water and waste management infrastructure have not kept pace, with around 40 per cent of people living in slums.

Spending cuts ahead to curb fiscal deficit Spending by the Central government in this financial year could be less than budgeted for the first time in three years, two sources with direct knowledge of the matter have said. The expected savings come amid the government's push to meet a fiscal deficit target of 6.4 per cent of the GDP. Total expenditure for 2022-23 that started on April 1 could come in Rs 70,000 crore to Rs 80,000 crore below the budgeted Rs 39,45,000 crore, the sources said, requesting anonymity. The government is keen to rein in the fiscal deficit as it is well above the historical levels of between 4 and 5 per cent.

Pre-COVID margins likely for 43% MSMEs
Nearly half of small businesses will not be able to claw back their margins to the pre-pandemic levels, even though almost all of them will be able to match the FY20 revenue levels this financial year due to high commodity prices and the rupee's fall, notes a CRISIL report. According to the report, almost all small businesses are likely to close FY23 with FY20 top-line levels. As much as 43 per cent of them will close the financial year with pre-pandemic margins.

OBITUARY

Ela Bhatt (1933-2022)

Renowned lawyer and women's empowerment activist and Padma Bhushan winner Ela Bhatt breathed her last early last month at an Ahmedabad hospital. She was 89 years old.
Ms Bhatt was the founder of SEWA (Self-Employed Women's Association), one of the largest women's cooperatives and trade unions in India. Established in 1972, SEWA boasts of a membership base of over 21 lakh poor, self-employed women from over 18 States. She was also one of the founders of non-profit organisation Women's World Banking.
She was also one of the founders of non-profit organisation Women's World Banking.
She taught English for a short time at the SNDT Women's University (Mumbai) before joining the legal department of the Textile Labour Association (TLA) in Ahmedabad.

Verbatim...

"There are many more *revdis* than what we thought. I mean, bringing back the Old Pension System is one of the biggest *revdis*."

Montek Singh Ahluwalia
EX-V-C, PLANNING COMMISSION

"My inflation data is at least one month old. Today, I know about inflation in October, and we are just about to start preparation for the December monetary policy."

Michael Patra
DEPUTY GOVERNOR, RBI

"As a polity, we need to recognise that the GST really should be the same regardless of the product. If progressivity is to be introduced, it is best done by direct taxes and not by GST or indirect taxes."

Bibek Debroy
CHAIRMAN, PMEAC

"If we come to the specifics of the Indian market, it's clear that the Indian market has, like other high-taxation markets, a limit in growth. This is something we have to understand, if we look at what is happening in India."

Stephan Winkelmann
CHAIRMAN, LAMBORGHINI

FINANCE

HDFC arm to invest in 15 realty startups HDFC Capital, an arm of Housing Development Finance Corporation (HDFC), will be investing in 15 startups. The company has already invested in three startups – Loyalie, HomeExchange and Monsoon Credit. The company has made the investments through its tech platform, Housing and Affordable Real Estate and Technology, aimed at bringing together developers, real estate funds, venture capitalists, PE funds, startups, the academia and industry associations. So far, startups operating in real estate space have raised $110 billion in the last six years. Real estate sector startups increased by 48 per cent after the pandemic, but they still account for only 6 per cent of the total recognised startups in India.

Settlement scheme deferred by 2 months The SEBI has extended the deadline for its Settlement Scheme 2022 by two months to January 21, 2023. The scheme provides a one-time settlement opportunity for entities that have executed trade reversals in the stock options segment of the BSE between April 1, 2014, and September 30, 2015, and against whom adjudication proceedings have been initiated and are pending before any forum or authority. The settlement period had commenced on August 22, 2022, and was to end on November 21. A settlement scheme is in the nature of a plea bargaining, where the party *suo motu* settles the dispute with the regulator.

PNB gets govt nod to sell UTI stake Punjab National bank (PNB) has received approval of the Union Ministry of Finance's DIPAM for divestment of the bank's entire or partial stake in UTI Asset Management Company in single or multiple tranches. UTI Asset Management Company is the investment manager to the schemes of UTI Mutual Fund. It also manages offshore funds and provides support to the Specified Undertaking of the Unit Trust of India. The AMC had recorded a turnover of Rs 1,060.27 crore in 2021-22.

Norms for online bond platforms unveiled The SEBI has come out with regulatory framework for online bond platform providers in a bid to streamline their operations. Online bond platform providers (OBPPs) are companies incorporated in India, and they should register themselves as stock brokers in the debt segment of the stock exchange, according to the framework that will be effective immediately. "With the bond market offering tremendous scope for development, there is need to place checks and balances in the form of transparency in operations and disclosures to the investors dealing with such online bond platforms (OBPs) and measures for mitigation of payment," the SEBI has said.

Russian banks open nine vostro accounts As many as nine special vostro accounts have been opened with two Indian banks after permission from the RBI to facilitate overseas trade in rupee, a top government official has said. Sberbank and VTB Bank – the largest and second-largest banks of Russia respectively – are the first foreign lenders to receive the approval after the RBI had announced the guidelines on overseas trade in rupee in July. Another Russian bank Gazprom – which does not have its bank in India – has also opened this account with Kolkata-based UCO Bank. The move to open the special vostro account clears the deck for settlement of payments in rupee for trade between India and Russia.

Insurers set for huge funding with new norms The IRDAI has approved a host of reforms, including easing entry norms and reducing solvency margin that will unlock Rs 3,500 crore of capital for insurers. The latest decisions are aimed at increasing insurance penetration in the country and enabling insurance for all by 2047. The IRDAI has also approved a proposal to permit private equity funds to invest directly in insurance companies. The watchdog has allowed subsidiary companies to be promoters of insurance companies. A single entity making investment of up to 25 per cent of the paid-up capital and 50 per cent for all investors collectively will be treated as 'investor' in insurance companies.

NITI Aayog chief worried over OPS NITI Aayog Vice-Chairman Suman Bery has expressed concern over revival of Old Pension Scheme (OPS) by some States. He has said that it will burden future taxpayers at a time when India needs to focus on fiscal prudence and promoting sustained growth. Mr Bery has also underlined the need for enhancing capital expenditure and creating a space for the private sector through fiscal consolidation. "I am slightly more worried about the return to the OPS. I think that is more of a concern because the cost will be borne by future taxpayers and citizens, not the present," he has said.

Strong credit growth amid high rates: Fitch Fitch Ratings has said that India's bank credit will see strong growth in the current financial year despite effects of higher interest rates. It has added that the strong loan growth will benefit net revenue, particularly as it will be coupled with wider net interest margins. "We see bank credit expanding by around 13 per cent in FY23, up from 11.5 per cent in FY22. The acceleration will be driven by the normalisation of economic activity after the COVID-19 pandemic and high nominal GDP growth, which we expect to boost demand for retail and working-capital loans," Fitch has said in a statement.

CPSEs get more powers to shut down arms The Centre has issued new timelines for disposal of assets and retrenchment of employees not opting for voluntary retirement scheme (VRS). The guidelines are aimed at achieving closure of identified subsidiaries of Central public sector enterprises (CPSEs) in less than nine months after getting nod from competent authority. The new guidelines follow the government's decision in May to give more powers to boards of parent CPSEs to close their subsidiaries by taking in-principle nod from a group of ministers (Alternative Mechanism or AM) instead of the Union Cabinet. Currently, the boards do not have powers for disinvestment or closure of their subsidiaries or units or stake in JVs and have to seek the Cabinet's approval.

24,600 villages to get BSNL's 4G service Over 24,600 uncovered villages, mostly located in remote and far-flung areas, are expected to get BSNL's 4G services by December 2023, the Department of Telecommunications (DoT) has said. Elaborating on work being carried out by the department in tribal areas, the DoT has added it has several schemes that have been providing telecom infrastructure and connectivity in areas having a sizable tribal population. The department has said that 2,343 mobile towers have been installed in such areas across States hit by "left-wing extremism". "Another 2,542 mobile towers are being installed," the statement has added.

CIL eyes 50 mt more sales via e-auction Coal India (CIL) is targeting 50 mt of sales through the e-auction route in the second half of the current financial year, CIL Chairman Pramod Agrawal has said. The coal behemoth had sold around 30 mt via e-auction in the first six months of the 2022-23 financial year. "We are targeting another 50 mt in e-auction sales for the year," Mr Agrawal said on the sidelines of Global Mining Summit 2022 recently. Coal India's e-auction sales were 108 mt in 2021-22. Mr Agrawal has said that the Kolkata-headquartered company has been focused on evacuation and sustainability.

HCL lines up Rs 350-cr capex for FY23 Hindustan Copper (HCL) is ramping up copper ore production from the Malanjkhand project in Madhya Pradesh to 2.2 mt from the current 1.6 mt. It will be eventually increased to 5 mt in the next seven years, the company has said. The copper manufacturer is looking to increase its total copper ore production to 12.2 mt per annum by FY29 in its first phase of expansion from 3.57 mt in FY22 and was targeting 3.9 mt in the current financial year. The State-owned integrated copper miner has lined up Rs 350 crore in capex for the current financial year, and of that, Rs 250 crore will be pumped into the Malanjkhand project.

Banks, insurers to buy 50% in IOCL-CPCL Three life insurers and two banks are set to pick up a 50 per cent stake in the proposed joint venture by Indian Oil Corporation (IOCL) and Chennai Petroleum Corporation (CPCL). The new entity will be incorporated through a seed capital of Rs 5 lakh. The joint venture is being set up to implement a 9-mt-per-year refinery in Nagapattinam, Tamil Nadu, in which IOCL and CPCL will hold a 25 per cent stake each. Axis Bank and ICICI Bank will be the two lenders buying stake in the JV. The three insurers picking up stakes in the IOCL-CPCL venture are ICICI Prudential Life Insurance, HDFC Life Insurance and SBI Life Insurance.

SBI, KfW tie up to fund solar projects State Bank of India (SBI) has signed a 150-million euro (Rs 1,240-crore) loan agreement with German development bank KfW for funding solar projects. The long-term loan, under the Indo-German solar partnership, will facilitate new and upcoming capacities in the solar sector and further contribute to the country's goals announced during the COP26, the bank has said in a statement. The successful closure of the phase-I under the solar projects partnership between the two banks paves the way for the current phase-II of the partnership, SBI has added. In 2015, New Delhi and Berlin had signed an MoU to foster solar energy through technical as well as financial cooperation.

Govt extends term of PSB MDs to 10 years The government has raised the maximum tenure of the managing director (MD) and chief executive officer (CEO) of public sector banks (PSBs) to 10 years from five years, while retaining the superannuation age at 60. The move will help the government retain talent, who rise through the ranks relatively quickly at State-run banks. It will also enable the PSBs to have relatively young leadership teams that will be in a better position to realise a longer-term vision. The change in the rule also applies to the wholetime directors of CPSEs, a senior government official has said.

SJVN wins Rs 585-cr solar unit contract State-run SJVN has bagged a contract to build, own and operate an 83-mw floating solar project worth Rs 585 crore in Madhya Pradesh. The project has been secured at a tariff of Rs 3.70 per unit on build-own-and-operate basis in an e-reverse auction (e-RA) organised by REWA Ultra Mega Solar (RUMSL), the company has said in a statement. SJVN Chairman and Managing Director Nand Lal Sharma has said that the company will develop the project in India's largest floating solar park in Omkareshwar in Khandwa district of Madhya Pradesh. After commissioning, the project will generate 187 million units in the first year and 4,410 million units over a period of 25 years.

CORPORATE

Air India, Vistara merger signals consolidation The Tata Group will merge Vistara with Air India. The deal will also see Singapore Airlines acquiring a 25.1 per cent stake in Air India, marking a major consolidation in India's fast-growing aviation space. The deal, which will make Air India the country's largest international carrier and second-largest domestic carrier, is expected to be completed by March 2024, subject to regulatory approvals. Currently, the Tata Group owns a 51 per cent stake in Vistara and the rest is with Singapore Airlines (SIA). Singapore Airlines will be investing Rs 2,058.5 crore in Air India as a part of the merger transaction, giving Singapore Airlines a 25.1 per cent stake in an enlarged Air India group.

RHI to buy Dalmia Bharat's unit for Rs 1,708 cr RHI Magnesita is in the process of acquiring the refractory business of Dalmia Bharat Refractories (DBRL) in India for about Rs 1,708 crore, Stefan Borgas, the CEO of the Vienna-based company, has said. The share-swap deal is being made through RHI Magnesita India, he has added. "DBRL will transfer its business to Dalmia OCL (DOCL). Under the terms of a share-swap agreement, RHI Magnesita will acquire all outstanding shares in DOCL in exchange for 27 million new shares in RHI Magnesita India," Mr Borgas has said. The acquisition will significantly increase RHI Magnesita's presence in the fast-growing Indian refractory market.

SAT stays SEBI order on Bombay Dyeing The Securities Appellate Tribunal (SAT) has stayed the Securities and Exchange Board of India's (SEBI) October 21 order against Bombay Dyeing & Manufacturing Co and its promoters over misrepresenting financial statements from FY11-12 to FY17-18. A tribunal bench led by Justice Tarun Agarwala has said that it will list the matter for hearing in January 2023. The SEBI had imposed a penalty of Rs 2.25 crore on Bombay Dyeing and restrained its promoters Nusli Wadia, Ness Wadia and Jehangir Wadia from accessing the securities market for two years on charges of inflating financial statements. The Wadias were also fined Rs 11 crore.

Adani Ports snaps up 49.38% in IOTL Adani Ports and Special Economic Zone (APSEZ) has acquired a 49.38 per cent stake in Indian Oiltanking (IOTL), a developer and operator of liquid storage facilities, for Rs 1,050 crore. APSEZ has said that this agreement also includes acquisition of an additional 10 per cent equity stake in IOTL Utkal Energy Services, a 71.57 per cent subsidiary of IOTL. According to the statement, the acquisition is well aligned with APSEZ's strategy of becoming the largest transport utility. The statement adds that over the past 26 years, IOTL has built a network of six terminals across five States with a total capacity of 2.4 million kilo litres (mkl) for storage of crude and finished petroleum products.

Jet's lenders urge NCLT to cancel JKL's bid The National Company Law Tribunal (NCLT) has adjourned the matter pertaining to resolution of Jet Airways to December 6. Lenders of the grounded carrier had filed a response in the NCLT, seeking dismissal of the Jalan-Kalrock Consortium's (JKC) application to take over the airline. While the matter has been deferred, JKC – the winning bidder for Jet Airways – has said that it will file a rejoinder to lenders' reply in the matter. JKC has claimed that it has met all conditions for the takeover of the airline. Jet Airways' lenders have alleged that JKC has filed an application to mislead the court on fulfilling conditions.

JK Paper to buy Horizon Packs, Securipax Paper and packaging board company JK Paper will acquire Horizon Packs and Securipax Packaging in phases for about Rs 578 crore. HPPL and SPPL are India's leading corrugated packaging manufacturers with seven plants across the country, the company has said in a regulatory filing. JK paper will acquire 26.92 crore equity shares in HPPL for Rs 19.33 per share and 4.63 lakh equity shares for Rs 1,256.95 apiece in SPPL – representing an 85 per cent stake in each company. The acquisition is set to expand JK Paper's businesses rapidly, riding on the strengths of the two acquired companies.

Viatris, Taparias' Famy in Rs 2,500-cr deal Nasdaq-listed Viatris is acquiring Famy Life Sciences' ophthalmology business for Rs 2,500 crore. The Mumbai-based Taparia family, the promoters of Famy, will retain the non-ophthalmic business consisting of oncology and other therapeutic areas, according to an official statement. This is the second big exit for the family after the Rs 5,000-crore sale of women's healthcare business Famy Care in 2015. The Taparia family was in news in 2016 for buying a 11,000-sq ft duplex apartment in the central business district of Bandra Kurla Complex for Rs 60 crore. Viatris is taking over a business consisting of a strong ophthalmic portfolio of phase-III clinical assets in diseases.

APPOINTMENTS

Sandhya Devanathan, who heads Meta's gaming division for APAC, has been appointed CEO of Meta India.

The SEBI has approved appointment of **Sundararaman Ramamurthy** as managing director and chief executive officer of BSE. Mr Ramamurthy is currently chief operating officer of the Indian arm of Bank of America Corp,

Adani installs India's largest wind turbine A wind turbine taller than the world's tallest Statue of Unity with blades spanning wider than the wingspan of a jumbo jet has been installed at Mundra in Gujarat by Adani New Industries. Standing 200 metres tall, the wind turbine has the capacity to produce 5.2 mw of electricity and can power approximately 4,000 homes. It is taller than the world's tallest statue, the Statue of Unity (182 metres), the statement has added.

A majority of Twitter India staff sacked Twitter has fired a majority of its over 200 employees in India as a part of mass layoffs across the globe ordered by its new owner Elon Musk who is looking to make his $44-billion acquisition work. Sources have said that the layoffs are across engineering, sales and marketing and communications teams. However, there is no clarity yet on the severance package to be paid to employees laid off in India. The entire marketing and communications department in India has been sacked, the sources have said. The world's richest businessman had begun his innings at Twitter last month by firing CEO Parag Agrawal as well as the CFO and some other top executives.

Sembcorp to acquire Vector for Rs 2,780 cr Sembcorp Green Infra, a wholly-owned subsidiary of Singapore-based Sembcorp Industries, will acquire Vector Green Energy for about Rs 2,780 crore. The company will acquire the stake from India Infrastructure Fund II, a fund managed by Global Infrastructure Partners India, Sembcorp Industries has said in a statement. Vector Green is an independent power producer with renewable power generation assets spread across 13 States. Following the acquisition of Vector Green, Sembcorp's gross renewables portfolio – installed and under development – in India will total 3 gw, comprising 1 gw of solar assets and 2 gw of wind assets.

Tariffs low in India, unsustainable: VIL Telecom operator Vodafone Idea (VIL) has said that telecom tariffs in India continue to remain at "unsustainable levels" and the industry needs "tariff correction" to support continued investments. VIL has seen average revenue per user (ARPU) growth for five consecutive quarters now. Its average revenue or realisation per user at Rs 131 in Q2 FY23 was 19.5 per cent higher than the revenue in the year-ago period, aided mostly by tariff hikes and subscriber upgrades. "However, despite the price intervention, the tariffs in India continue to remain at unsustainable levels," notes Vodafone Idea CEO Akshaya Moondra.

Zomato set to lay off 4% of workforce Gurugram-headquartered food aggregator Zomato has reportedly started laying off employees and plans to drop at least 4 per cent of its total workforce to cut costs and turn profitable. This update comes after its co-founder Mohit Gupta had resigned from his post recently. At least 100 employees have already been impacted across functions like the product, tech, catalogue and marketing, the *MoneyControl* reports, citing sources. It further adds that employees in the supply chain have not been impacted. The sources reveal that employees in roles that had become redundant have been let go.

OBITUARIES

Areez Pirojshaw Khambatta (1937-2022)

Areez Pirojshaw Khambatta, the founding chairman of the popular drink Rasna, passed away in Ahmedabad due to a cardiac arrest, the company said on Monday. The 85-year-old industrialist, who was suffering from a prolonged illness, passed away on November 19. Decades ago, his father Phiroja Khambatta started a modest business, which Areez took to being the largest concentrate manufacturer in the world, with presence in over 60 countries. He created affordable soft drink packs of Rasna in the 1970s as an alternative to soft drink products sold at high costs. It is sold at 1.8 million retail outlets in the country.

Vikram Shreekant Kirloskar (1958-2022)

Vikram Kirloskar, an eminent industrialist and the vice-chairman of Toyota Kirloskar Motors, died after suffering a cardiac arrest late last month. He was 64. A mechanical engineering graduate from the Massachusetts Institute of Technology (MIT), Mr Kirloskar had played a key role in bringing the Japanese company Toyota Motor Corp to India in 1997. Toyota-Kirloskar has a manufacturing plant in Bidadi of Ramanagar district near Bengaluru, considered to be among the largest automotive plants in the country. He is the fourth-generation member of the Kirloskar Group founded in 1888. He is survived by his wife Gitanjali Kirloskar and daughter Manasi Kirloskar.

A Brief Blip

Rising demand from unexpected quarters holds out hope for the crisis-ridden edtech sector, hit by shrinking clients and drying-up funding.

IBJ BUREAU

The worst fears of Byju's critical financial health were confirmed in September, when the education technology (edtech) company declared its financial results. The Bengaluru-based company's consolidated net loss surged to a whopping Rs 4,588 crore in FY21, almost 20 times its FY20 loss of Rs 231 crore. Speculations over Byju's financial mess were already rife when the company had put off declaring its FY21 results to September.

Days after announcing its results, Byju's revealed that it would slash 5 per cent of its around 50,000-strong workforce in a phased manner. The announcement will result in the country's only edtech decacron – a unicorn (a company with valuation of $1 billion) with $10-billion valuation – sacking about 2,500 of its employees across product, content, media and technology departments.

"The last six months have been the toughest for me and everyone else involved. And if this cannot break us, I can tell you nothing else will. It is a segment that requires at least five Byju's, not one," stresses Byju's Founder and CEO Byju Raveendran.

Byju's is not the only edtech company to be in deep trouble. The over Rs 16,300-crore Indian edtech industry is reeling under severe losses, resulting in huge layoffs across many companies. Bengaluru-based Unacademy has sacked 1,100 workers, while Vedantu, another edtech player, has fired 724 people. FrontRow, LEAD, Eruditus and many other edtech startups have issued several hundreds of pink slips to their employees. Besides, Lido Learning, Crejo.Fun, Udayy and SuperLearn have sacked their entire staff and shut down operations.

According to industry reports, Indian edtech startups have laid off more than 7,000 employees in 2022 so far. Moreover, there are many reports of employees being forced to put in their papers. The edtech crisis is so grave that the sector accounts for about 47 per cent of the more than 15,000 retrenchments seen across the Indian startup ecosystem this year. All these companies are justifying their harsh layoff measures for rationalising their workforce and for conserving cash amid acute liquidity crunch.

Edtech In A Nutshell

Rs 16,300+ crore
MARKET SIZE

4,450+
NO. OF PLAYERS

K-12, Test-Prep, Reskilling & Upskilling
MAJOR SEGMENTS

A golden period

The gloom sweeping across the edtech sector was simply unthinkable a year ago. Last year, edtech startups were on a roll, garnering huge funding from venture capital (VC) and private equity (PE) funds. The Indian edtech industry had mopped up more than $4.7 billion in funding across 165 deals and emerged as the third favourite sector for investors in 2021.

In fact, the golden period for the sector had begun with the onset of COVID-19. The viral pandemic and ensuing lockdowns had shut down schools and colleges across the country, giving online learning a major boost. In fact, the sector had minted as many as six unicorns –Unacademy, Eruditus, UpGrad, Vedantu, Lead School and PhysicsWallah – between September 2020 and June 2022. For many years until September 2020, Byju's – India's first edtech startup – was the only unicorn. It still is the country's only decacorn, the much-coveted status that it had achieved in June 2020.

Inspired by these success stories, a host of new edtech startups mushroomed in the country during the pandemic years. According to industry insiders, there are over 4,450 edtech startups in the country.

What ails edtech?

The edtech sector entered 2022 with high hopes of bettering past years' performance. But then suddenly, it got sucked into a violent storm, leading to serious cash crunch and other consequent problems. If 2021 was the year of record funding, big acquisitions, aggressive growth and blooming unicorns, 2022 has turned out to be the year of mass sacking, massive scale-down and even shutdown of operations in some cases. So, how exactly did the booming domestic edtech sector plunge into the present sorry state of affairs?

The post-pandemic world came as a rude shock for the industry. As normalcy returned and schools and colleges opened in August last year, students moved back to classrooms, leaving edtech companies in the lurch. Edtech startups in the reskilling and upskilling segment too bore the brunt as many companies mandated their employees to return to offices. As the work-from-home option dwindled, there were very few enrolments for reskilling and upskilling as employees could not find time for such online courses.

The ongoing funding winter has, in fact, played a major role in battering edtech startups. "The environment right now has turned volatile for a lot of people. The Russia-Ukraine war, a commodity price boom due to supply and demand issues and interest rate hike are causing consternation in the market," points out Rajeev Suri, the managing partner of Orios Venture Partners.

Rising commodity prices and supply-chain issues have led to an unprecedented surge in inflation across the world, especially in the developed Western economies. Central banks have stepped in and closed the liquidity tap that had left huge amount of capital sloshing around in the market. Besides, they have been raising their respective benchmark interest rates to cool down inflation. The result is that most of the developed economies are staring at an imminent recession. End of easy money, high cost of funds and the likelihood of a recession have severely curtailed VC and PE funding – the very lifeline of startups.

The funding winter has frozen the capital flow into startups. Edtech companies had raised around $3 billion in 2020 and mopped up a record over $4.7 billion in 2021. In the ten months of 2022, these startups have managed to garner about $2.2 billion in funding, with funds drying up in the past few months.

During the boom years, edtech startups splurged money to grow at a breakneck speed. Like all startups, edtech companies too focused on growth at the cost of profitability. They spent lavishly in acquiring clients and good teachers and offered high salaries and sops to retain talented teachers. Their marketing costs too soared to unprecedented levels as some of the big edtech companies roped in celebrities – such as film stars and top-notch sportspersons – to endorse their brands. This extravagancy has come back to bite them as funds dry up and client base dwindles. Edtech companies are staring at a bleak, uncertain future as the funding winter is expected to last for another year or two.

What's Driving Edtech Crisis?

- Shrinking clientele amid students returning to classrooms
- Reskilling and upskilling segment hit with employees called back to offices
- Dwindling PE and VC funding amid surging global inflation, rising interest rates and fears of recession
- Balance sheets in the red because of high marketing and client acquisition costs during boom time

"The last six months have been the toughest for me and everyone else involved. But this is a segment that requires at least five Byju's, not one."

BYJU RAVEENDRAN
Founder & CEO, Byju's

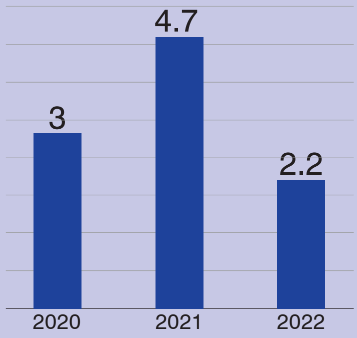
"It is absolute nonsense if somebody says that edtech is doomed. In a country of 1.3 billion, education is the most important thing, and technology can help it scale."

GAURAV MUNJAL
Co-Founder & CEO, Unacademy

"The environment right now has turned volatile for a lot of people. The Russia-Ukraine war, a commodity price boom due to supply and demand issues and interest rate hike are causing consternation in the market."

RAJEEV SURI
Managing Partner, Orios

Funding Winter



Investment figures in $ bn

"In the pandemic, the edtech industry saw a boom. But now, it has to refocus and change its business model."

ELDHO MATHEWS
Deputy Adviser, NIEPA

The Way Forward

- Hybrid model, combining online and offline systems, a winning bet
- Growing demand for online training from students in small towns and rural areas
- Plenty of growth opportunities in vernacular edtech solutions
- Both online and offline modes set to coexist with one complementing the other

Time to reinvent

Harsh realities of the current downturn are teaching edtech companies many new lessons. "In the pandemic, the edtech industry saw a boom. But now, it has to refocus and change its business model," stresses Eldho Mathews, the deputy adviser of National Institute of Education Planning and Administration (NIEPA), a research-focused university in New Delhi.

Some of the top edtech startups have already embraced the hybrid model – a combination of online and offline systems of teaching and learning – to beat the slowdown blues. Last year, Byju's had acquired Aakash Educational Services, a 34-year-old brand that has over 70 physical coaching centres across the country. Byju's is leveraging Aakash's physical coaching centres to offset the losses accruing from shrinking online client base.

Unacademy has also forayed into offline learning by launching its first coaching centre in Kota, a major hub in Rajasthan for training for competitive exams and entrance exams of professional courses. The edtech startup is also setting up physical coaching centres in other cities. PhysicsWallah too has gone offline with launch of its first coaching centre in Kota.

Amid the rising offline foray, it would be premature to write off online training. A new avenue is opening up for startups engaged in the K-12 (the basic schooling level from kindergarten to the 12th standard) and test-prep segments (training for competitive exams and entrance exams of professional courses) of the industry. These segments are fast reverting to offline or hybrid mode in urban India. However, there is a growing demand for online mode of training in these segments from students in small towns and rural areas.

Students in far-flung areas have often found it difficult to access good teachers and quality study materials. The pandemic gave them an opportunity to get the best education through online classes. Edtech modules have an upper hand over traditional textbooks. Better navigation of resources, multimedia graphics and interactive elements allow for a more engaging educational experience. Edtech startups will now have to move beyond metro- and city-centric operation and tap the rising demand in semi-urban and rural areas.

Similarly, there are plenty of opportunities for vernacular edtech solutions. Only about 10 per cent of Indians speak English. However, there is a huge number of students pursuing their education in various regional languages. Their plight is similar to that of students in far-flung areas of not being able to access good teachers and get better educational experience. Edtech companies can easily tap into this segment of students, offer them customised online courses and expand their businesses.

"Now, demand will slow down a bit, but it will grow again. It is absolute nonsense if somebody says that edtech is doomed. In a country of 1.3 billion, education is the most important thing, and technology can help it scale," notes Unacademy Co-Founder and CEO Gaurav Munjal.

Online model of teaching and learning may have hit a hurdle for now. But it is set to thrive in far-off areas, regional languages and other situations. Edtech industry cannot think of replacing the traditional classroom learning. But it can certainly grow as a support mechanism by making up for shortcomings in the traditional teaching methods. The edtech industry is passing through one of its worst winters. However, the spring of hope is not far away. ■

Leading Animal Health Solutions Company - Ajooni Biotech Launches Rights Issue

Rs 29-crore Rights Issue, priced at Rs 6 per share, opens on December 7 and closes on December 15

Established in the year 2010, Ajooni Biotech has emerged as one of the leading animal healthcare solutions companies dedicated to improving the productivity of dairy farmers and sustainably increase livestock yields. The company offers a wide range of products, including quality cattle feed, cattle feed chips, camel feed, cotton oil cake, mustard oil cake and wide range of feed supplements to cover the entire lifecycle of an animal. It has two state-of-the-art manufacturing facilities with a cumulative animal feed production capacity of 60,000 MTPA and liquid supplements capacity of 30 lakh litres per annum.

The company is currently working with more than 10,000 farmer families in seven states of North India and plans to grow nationally. Ajooni Biotech is also ISO and GMP-certified and has the ISI mark for manufacturing cattle feed. In November 2022, it became the first Indian animal feed manufacturing company to get ZED certification (zero effect zero defect) from the Ministry of Micro, Small and Medium Enterprises, Government of India. The company is registered with the Department of Dairy Development, Government of Punjab. It is among the main suppliers to leading companies like IFFCO Kisan, Mother Dairy, Paras Dairy and Saahaj Dairy.

"The company has taken important strategic initiatives in the recent past with a focus to expand production capacities, launch new products, add more channel partners and work with more farmers. Our long-term focus continues to be investing in growth through new product launches and expanding our footprint. We have a dedicated focus which is to leverage capabilities, to develop cost-effective solutions to improve animal productivity and accomplish our vision of being a world-class animal health care organisation," notes Jasjot Singh, chairman and managing director of Ajooni Biotech while commenting on the development.

Jasjot Singh, CMD: Focus continues to be investing in growth

Ajooni Biotech: Highlights

- Company launched its IPO on NSE Emerge platform in Dec 2017 & migrated to the main board of NSE in May 2022
- For FY22, company reported sales of Rs 74.04 crore – rise of 46% Y-o-Y, EBITDA rise of 87% Y-o-Y to Rs 3.08 crore and Net Profit up by 183% Y-o-Y to Rs 1.05 crore
- Ajooni Biotech became the first Indian Animal Feed manufacturing company to get ZED certification from Ministry of Micro, Small & Medium Enterprises, Govt of India in November 2022

The company launched its IPO on NSE Emerge platform in December 2017 and migrated to the main board of NSE in May 2022. For FY22, the company reported sales of Rs 74.04 crore – rise of 46 per cent year-on-year (YoY), EBITDA rise of 87 per cent YoY to Rs 3.08 crore and net profit rise of 183 per cent YoY to Rs 1.05 crore. The company has achieved strong CAGR of 23 per cent in sales and 37 per cent in net profit and 65 per cent in EBITDA during the last three years with an improving return ratio. The promoter group holding in the company was 67.35 per cent as of September 30, 2022.

With an objective to expand the 'Ajooni' brand in global markets, the company has executed its first export order for the supply of cattle feed to Nepal after successful field trails. It has developed a unique product suitable to the specific feed requirements of animal species of the semi hilly areas of Nepal and Bhutan to achieve optimal nutrition, gut health and pathogen control of livestock while maximising the profitability of dairy farmers of these countries. The company is also exploring possibilities to penetrate its marketing network to international markets of Africa, South Asia and the Middle East markets.

To fund its expansion plans, the company is coming out with a rights issue of 4,83,60,313 fully paid-up equity shares of face value of Rs 2 each at a offer price of Rs 6 per share. The Rs 29.01 crore rights issue is scheduled to open on December 7, 2022 and will be closed on December 15, 2022.

CCI Cracks The Whip

Google Competition Commission of India

But the competition regulator's penalties on and directives against Google are likely to get lost in a web of legal wrangles.

IBJ BUREAU

Google got a taste of India's regulatory rap in October this year. The Competition Commission of India (CCI) slapped two penalties on the US technology company, totalling Rs 2,274.44 crore. The first fine of Rs 1,338 crore was imposed on Google for abusing its dominant position in the Android mobile device ecosystem. In the second case, the country's competition regulator fined the global search engine Rs 936.44 crore for abusing its dominant market position in Google Play Store.

The CCI also issued a cease-and-desist order and directed the tech major to modify its conduct within a defined timeline. The anti-trust regulator directed Google to take corrective actions, including allowing original equipment manufacturers (OEMs) or mobile phone device-makers to offer third-party app stores in Google Play Store and permitting mobile users to uninstall Google-promoted apps, among others.

The CCI's recent orders are a culmination of an extensive investigation launched by it against Google's various policies in 2020. Some domestic app developers had complained to the competition regulator that many of Google's policies were anti-competitive in nature. Those policies put severe restrictions and restrained other developers from growing their apps. These complaints had triggered the CCI's investigation into Google's policies and practices.

It is quite a challenge for a short-staffed and funds-starved CCI to bring big global corporations to book.

Reacting to the fines, Google had said that it remained committed to its users and developers and was reviewing the decision to evaluate the next steps after the CCI had fined it. Analysts tracking the technology sector opine that Google can challenge the CCI's orders in the National Company Law Appellate Tribunal (NCLAT) or can move courts against the regulators' penalties and directives.

How Google dominates

This is for the first time that Google is facing punitive actions and penalties on such a massive scale in India. In fact, anti-trust lawsuits are not at all new to the search engine. For a long time now, Google has been fighting multiple legal cases across the world.

The tech company has been under the scanner of competition watchdogs in the UK, the US, the European Union (EU) and a few other countries. In the EU, Google faces nearly $8 billion in fines. The company is entangled in many cases related to anti-competitive practices in the US, brought about by the federal government's Department of Justice and other regulatory authorities across many US States. Last August, South Korea had mandated providing a choice in app store payments. This effectively bars companies like Google and Apple from compelling app developers to use only their payment systems.

Incidentally, Google is not alone in abusing its dominant position. Almost every Big-Tech company is enmeshed in a legal tussle with global regulators over anti-competitive policies and practices. Google finds itself prominently on the wrong side of Indian law primarily because of its Android operating system (OS), which powers over 95 per cent of the country's smartphones.

Google had acquired Android, an open-source mobile OS, in 2005. Since then, the company has had an edge over its competitors, with Android accounting for about 71 per cent of the global market share of mobile operating systems. Google has been able to exploit the licensing of the Android OS to its advantage by entering into multiple agreements with OEMs and app developers across the world.

Google's Mobile Application Distribution Agreement (MADA) mandates OEMs to pre-install its Google Play Store – which houses all its apps – and Chrome browser on all Android-run mobile devices. Besides, with Revenue Sharing Agreement (RSA), Google pays a certain percentage of share of its advertising revenue to OEMs for exclusively installing Google apps on their smart mobile devices. Similarly, Anti-Fragmentation Agreement (AFA) and Android Compatibility Commitment (ACC) restrict OEMs from manufacturing, marketing or distributing devices based on Android forks or modified versions of Android.

Meanwhile, Google Play Store policies require app developers to exclusively and mandatorily use Google Play Billing System (GPBS) both for receiving payments for apps and other digital products and also for certain in-app purchases. Further, app developers cannot provide users within their apps a direct link to a webpage containing an alternative payment method. The app developers are also prohibited from wording their instructions to their users in such a way that encourages users to purchase digital products through a third-party payment system.

If app developers do not comply with the GPBS, they are not permitted to list their apps on Google Play Store. As a result, app developers end up losing out on a vast pool of potential customers. "Making access to the Play Store dependent on mandatory usage of GPBS for paid apps and in-app purchases is one sided and arbitrary and devoid of any legitimate business interest. The app developers are left bereft of the inherent choice to use payment processor of their liking from the open market," notes the CCI's order.

Google argues that its policies have made smartphones highly affordable and easily accessible.

Google's Tools Of Domination

MADA mandates OEMs to pre-install Google Play Store on all Android-run mobile devices.

With **RSA**, Google pays a certain percentage of share of its advertising revenue to OEMs for exclusively installing Google apps on their smart mobile devices.

AFA and **ACC** restrict OEMs from manufacturing, marketing or distributing devices based on Android forks or modified versions of Android.

App developers are mandatorily required to use **GPBS** for receiving payments for apps and other digital products.

The combined results of these Google's agreements with OEMs and app developers ensure that the tech company's competitors in search services market as well as mobile OS market cannot find sufficient distribution channel to scale up their business. In short, Google's virtual monopoly in these markets effectively shuts out competition from other app developers and also eliminates choice for its users. "The CCI's findings show how Indian indigenous apps have been suppressed, and that is the reason why most Indians have not been able to access more local Indian apps," points out Rohan Verma, the CEO and ED of MapmyIndia, a direct competitor to Google Maps.

A landmark order

The CCI's directives, if implemented earnestly, will have far-reaching implications on the digital ecosystem in the country. The penalties – mind-blogging as they certainly are – have hit the headlines and stand out prominently. However, there are other components of the competition regulator's order that can change the very landscape of the digital transactions.

The CCI has ordered Google to ensure that OEMs are permitted to offer other app stores on the Google Play Store. It has instructed the tech company to also allow its users to uninstall its apps and facilitate them to choose their default search engine – instead of Google Chrome being thrust upon them – during initial device setup.

"The measures announced by the CCI may not have a huge impact on Google in the short term as companies will need to invest to make their apps discoverable. Besides, new app stores do not enjoy the reach Google has. In the long term, however, developers and OEMs may gain from the CCI's measures," opines Navkendar Singh, the associate vice-president (AVP) of IDC India, South Asia and Australia, New Zealand.

Google, in the meanwhile, has put out its views on the charges of anti-competitive practices levelled on it by the CCI. "Android users have considerable freedom to customise their phones and to install apps that compete with Google's besides the ability to quickly and easily move or disable pre-installed apps, including Google's apps," the tech company has argued.

The company justifies its restrictions imposed by the MADA as promotional opportunities for it to earn revenue from its services. Google points out that it is able to offer Android OS free of cost to OEMs because of the MADA. It adds that dismantling the AFA and ACC and fragmenting the Android OS will make it difficult for app developers to make their apps compatible with multiple versions of Android. Google also stresses that sharing advertising revenue with OEMs, according to the RSA, for having exclusive presence of mobile devices reduces the cost for OEMs and also thereby makes mobile handsets cheaper.

Following the CCI's order, Google has paused enforcement of the GPBS for in-app purchases for app developers based in India. However, the GPBS will still apply for in-app digital content purchases for users outside of India. In other words, if Indian app developers offer to sell digital content to users outside India, they will need to comply with the GPBS.

Moreover, in March, Google had launched a pilot programme that allows a few app developers to offer an additional billing system alongside that of GPBS. Earlier this year, the company had reduced the commission it charges from app developers for their sale of digital contents from 30 to 15 per cent. The reduced commission applies to the first $1 million of revenue earned by app developers each year.

The way forward

The CCI's directives have understandably brought cheer among Indian app developers. They have hailed the competition regulator's order as a pathbreaking pronouncement that can provide a major fillip to homegrown apps and app developers.

"The CCI's order is fantastic news for all startups in India, and it can build competitive products against the tech giant. As an app store, we are delighted by the decision of being allowed to distribute alternative app stores through the default Android app store, Google Play Store," notes Rakesh Deshmukh, the co-founder and CEO of homegrown app store Indus OS. Mr Deshmukh further adds: "From our decade-long experience, we have realised that if there has to be safe competition with Google services, alterations need to be made both at the OEM and secondary Android levels. We will con-

"The CCI's measures may not have a huge impact on Google in the short term as companies will need to invest to make their apps discoverable. However, developers and OEMs may gain in the long term."

NAVKENDAR SINGH
AVP, IDC India

The CCI has been able to collect only Rs 197.88 crore in penalties between April 2017 and June 2022, accounting for a meagre 4.5 per cent of the Rs 4,369.39 crore penalties imposed by it.

Android OS accounts for about 71 per cent of the global market share of mobile operating systems.

Almost every Big-Tech company is enmeshed in a legal tussle with global regulators over anti-competitive practices.

tinue fighting this battle.”

So, is Google going to yield to the CCI’s directives and accordingly change its policies and practices? India is one of the biggest markets for the tech major, and hence it cannot afford to fall foul of the Indian regulations. Hence, it can negotiate with the CCI, make the required changes and seek a reduction in the penalties. The minor concessions apart, Google is most likely to fight against the order in law courts. This is how the technology company has reacted globally by battling several regulators in their respective courts of law.

The CCI, in the meantime, has launched investigations into anti-competitive policies and practices of other global tech giants, such as Amazon, Walmart-owned Flipkart, WhatsApp and Meta Platforms (formerly Facebook). On the face of it, it looks like the CCI may pull up the global tech giants, get them to mend their ways and make the digital space conducive to competition.

However, the reality is far more pessimistic. The past record of the CCI’s regulatory actions is rather disappointing. Most of the competition regulator’s orders have been challenged in the NCLAT and many high courts as well as the Supreme Court, with quite a large number of orders having been set aside. An official reply in the Rajya Sabha in July reveals that the CCI had imposed penalties amounting to Rs 4,369.39 crore in 241 cases between April 2017 and June 2022. But the regulator has been able to collect only Rs 197.88 crore in penalties, making up for a meagre 4.5 per cent of the total penalties imposed. In most cases, the fined companies were able to get the courts to set aside or stay the penalties.

The CCI cannot be solely blamed for these shortcomings. The regulator is severely short of staff, and official records show that its grants and outlays have been annually slashed. In such circumstances, it is quite a challenge to conduct investigations into a complex web of deals done by big businesses and global corporations and to come up with reports that can stand scrutiny in the courts.

Digitalisation has touched and changed very aspect of modern life today. And most of the digital processes have been the result of remarkable innovation of global technology companies. However, the Big Tech – comprising a few big technology companies – has managed to acquire many of their smaller peers. This has facilitated these big corporations to own the patented products, including apps, and have undisputed monopoly in the markets. The CCI and other global regulators are rightly battling these monopolistic practices. But their efforts have most often ended up getting stuck in protracted legal wrangles. ■

“From our decade-long experience, we have realised that if there has to be safe competition with Google services, alterations need to be made both at the OEM and secondary Android levels.”

RAKESH DESHMUKH
Co-Founder & CEO, Indus OS

“The CCI’s findings show how Indian indigenous apps have been suppressed, and that is the reason why most Indians have not been able to access more local Indian apps.”

ROHAN VERMA
CEO & ED, MapmyIndia

SEEDS OF HOPE

Lost in noisy debates over GM and high-yielding hybrids, long-forgotten natural crops can help reap a rich agrarian harvest.

IBJ RESEARCH BUREAU

It has been one step forward and two steps back for Indian genetically-modified (GM) corps. In mid-October, the Union Ministry of Environment, Forest and Climate Change approved the environmental release or larger field trials of Dhara Mustard Hybrid-11 (DMH-11), a hybrid variant of GM mustard.

A week earlier, the Genetic Engineering Appraisal Committee (GEAC) had recommended the larger field trials of the transgenic mustard hybrid. The environment ministry's and the GEAC's nod for DMH-11 is a major landmark in the country's GM farming sector. The approvals for larger field trials of DMH-11 have come after two decades after Bt (Bacillus thuringiensis) cotton was permitted to be grown commercially way back in 2002. Bt cotton was and still happens to be the only GM crop to be cultivated commercially in the country.

The nod for DMH-11 assumes even greater significance because it is now only a step away from getting approval for commercial cultivation. If the GM mustard succeeds in conforming to the prescribed safety standards in the larger field trials and gets the green light for its commercial cultivation, it will be India's first transgenic food crop to be grown across the country's fields.

The latest approval of the GEAC – the regulator of GM crops under the Union Environment Ministry – means that DMH-11 will have to undergo further field trials in larger designated fields across the country. These trials will have to be done under the supervision of The Indian Council of Agricultural Research (ICAR) – the apex body under the Union Agriculture Ministry for coordinating, guiding and managing agricultural research and education. The field trials will be simultaneously accompanied with demonstration to farmers of growing the GM mustard, greater production of the transgenic mustard seeds as well as developing newer hybrid versions, which may provide even higher yields than those of DHM-11.

But the Indian GM revolution, which had received renewed momentum following the approval of DMH-11, has yet again been halted in its tracks. Early in November, the Supreme Court stayed the field trials of GM mustard and barred the cultivation of DMH-11 until it completed the hearing of a petition against the transgenic mustard. The apex court had to dust off the old 2005 petition, filed by Aruna Rodrigues, a leading environmental activist, and others, after they had sought the Supreme

Court's stay on the nod for DMH-11.

This is not the first time that a GM crop has hit a roadblock. The GEAC had approved transgenic food crop Bt Brinjal for wider environmental release in 2009. However, the decision was later stayed by Jairam Ramesh, the then environment minister, on grounds of "insufficient scientific evidence about safety". In 2017 too, the GEAC had cleared GM mustard for larger field trials. But the process had got stalled in the case that had been lodged in the Supreme Court in 2005. The government and the environment ministry had not supported the case of GM mustard then. This time around, however, the government is fully supporting the GEAC's approval of GM mustard.

Big breakthrough

The stay on larger field trials of DMH-11 is a temporary setback for Deepak Pental, a renowned professor of genetics and former vice-chancellor of the Delhi University. Mr Pental and his dedicated team of scientists of the Centre for Genetic Manipulation of Crop Plants (CGMCP) of the Delhi University have worked for over two decades to make the transgenic mustard a reality.

Developing a GM variety of mustard has been quite a challenge for genetic scientists the world over. Being a self-pollinating plant, it is very difficult to develop hybrids of the plant with desired qualities. As in the case of a few other plants, a mustard flower has both male and female organs, which assist in self-pollination (transfer of pollen grains from the male anther of a flower to the female stigma of the same flower or another flower of the same plant) and make it difficult to undergo cross-pollination (transfer of pollen grains from the male anther of a flower to the female stigma of another flower of a different plant). While self-pollination perpetuates the same traits or characteristics of the parent plant in the offspring plant, it is cross-pollination that assists in developing hybrids with desired traits.

DMH-11, just a step away from commercial cultivation, can be India's first transgenic food crop when approved.

Mr Pental and his team cracked the puzzle presented by mustard by genetically modifying mustard through use of three genes – barnase, barstar and bar – from two bacteria present in soil (*see box* The Barnase-Barstar-Bar Wonder *for details*). The banase-barstar-bar process enabled the scientists to cross-pollinate Indian and East European varieties of mustard and create DMH-11, which, Mr Pental says, provides a higher yield. Mr Pental and other scientists add that environmental release of DMH-11 can facilitate its cross-breeding with other varieties of Indian mustard and lead to sturdier hybrids with higher yields.

The patent on the indigenously-developed DMH-11 is jointly held by the National Dairy Development Board (NDDB) – which was one of the major funders of the research, apart from the Union government, and hence the name Dhara (the popular brand of NDDB) in DMH-11 – and the Delhi University. The public ownership of the GM mustard technology will make the seeds cheaper when the technology is transferred to private companies for developing hybrids. The government, which is the ultimate owner of DMH-11, will make the seeds available at lower prices and negligible royalty, unlike the case of multinational company (MNC) Monsanto's Bt cotton.

Charges & Counter-Charges

Scientists' Views

DMH-11 has a 28% higher yield than that of its Indian variety Varuna. The GM mustard will help in slashing India's rising edible oil import bill.

Environmentalists' Views

It is ridiculous to claim that GM mustard can bring down edible oil import bill when mustard oil imports are less than 2% of India's total edible oil imports.

Environmentalists' Views

The bar gene in DMH-11 makes GM mustard an HT crop and poses potential risks for human, animal and plant health.

Scientists' Views

The bar gene is used only as a selection marker to identify DMH-11. The GM mustard is not an HT crop. Herbicide glufosinate-ammonium is used in a limited quantity only during seed production phase, and the small quantity is not hazardous to human, animal and plant health.

Environmentalists' Views

One of the genes present in the transgenic hybrid can affect pollinators, specifically bees, and have knock-on impact on the environment.

Scientists' Views

Repeated trials of DMH-11 over the years and various studies conducted in different parts of the world indicate that bees have been flocking to both non-GM and GM plants without much difference.

Claims & counterclaims

An indigenously-developed GM food crop – and the country's first one, moreover – like DMH-11 should have been a matter of pride and celebration. Besides, it should have been in the market by now, considering that the seed was ready by 2017. On the other hand, one can appreciate India's regulatory rigour for the delay in releasing the seed. However, the unfortunate part of the story is that DMH-11 has turned out to be a seed of strife between scientists and environmental activists. Charges and countercharges between proponents and opponents of GM mustard have been flying thick and fast, with some of them sadly beyond the realm of decency and reason.

Row over yield

Mr Pental and the scientists of the ICAR, who have conducted various trials over three years, note that the transgenic mustard seed has a 28 per cent higher yield than that of its Indian variety Varuna – DMH-11 is an offspring of Indian parent Varuna and East European parent Early Heera-2. They also add that the GM mustard seed performs 37 per cent better than a few other Indian seed varieties that have undergone trials.

India's average mustard yield is low at around 1.3 tonnes per hectare and has been stagnant for over two decades. Annual average domestic consumption of edible oil – a burning issue amid high prices – is around 250 lakh tonnes, while the domestic production is about 111 lakh tonnes. So, India ends up meeting around 56 per cent (roughly about 139 lakh tonnes) of its annual edible oil consumption through imports. The country's edible oil import bill in FY22 was a whopping Rs 1,17,000 crore.

But Ms Rodrigues, the petitioner against GM crops in the Supreme Court, disagrees with the scientists' views. "India's best varieties and non-GMO hybrids outperform DMH-11 hands down. Therefore, this GM mustard fails the first test of a GMO (genetically-modified organism) risk assessment protocol, which is of need. There is no point to this mustard," she adds.

On the face of it, Ms Rodrigues' assertion is spot on as imports of mustard oil equivalents are minuscule at less than 2 per cent. But a deeper probe shows that the scientists are certainly not way off the mark. Mustard oil accounts for around 25 per cent of the total domestic edible oil production, while its domestic consumption is about 12 per cent. Moreover, India is the world's third-largest producer of mustard seeds and the second-largest exporter of mustard seeds and mustard oil. So, higher yields of mustard can help in earning more foreign exchange through exports and indirectly reduce the import bill.

The HT bogey

The second objection to the GM mustard is related to the bar gene used in it. Green activists claim that the bar gene makes DMH-11 tolerant or resistant to a herbicide (a chemical used to destroy plants, especially weeds) called glufosinate-ammonium. They argue that the GM mustard is a herbicide-tolerant (HT) crop and poses potential risks.

According to them, the HT DMH-11 can cause serious effects on human health. They allege that the GM crop has not been studied for the risks

"Genetic diversity is the nature's survival mechanism. However, given the large-scale human interference in crop selection, that ability is now lost in most crops."

RAJASHREE JOSHI
Programme Director,
BAIF Foundation

"Commercial use of GM mustard hybrid DMH-11 will allow Indian mustard farmers to produce more mustard per unit area."

BHAGIRATH CHOUDHARY
Founder Director, SABC

Public ownership of the GM mustard technology will make the seeds cheaper when technology is transferred to private companies.

Higher mustard yields can help India – the world's second-largest exporter of mustard oil – in earning more foreign exchange through exports

All About GMO, Hybrid & Landrace Seeds

Genetically-Modified Organism (GMO): A GMO is an organism, whose genetic material is altered by introducing a piece of DNA containing the desired character from an external source through genetic engineering techniques. A GMO is called cisgenic when the DNA introduced belongs to the same species. It is called transgenic when the DNA introduced belongs to a different species. GMO seeds can produce only one generation of crops with similar characteristics. So, these seeds cannot be saved by farmers and reused again. Farmers will have to buy new seeds from seed companies.

Hybrid: A hybrid is an organism that is a result of cross-breeding of two distinct parents. Here, the two parents may belong to different varieties, breeds or even species. Generally, the hybrid organism exhibits characteristics that are superior to both the parent organisms, and such superior characteristics are called hybrid vigour or heterosis. Cross-breeding can be natural – for instance, mule is a cross between a horse and a donkey – or artificial – for example, artificial insemination in animals or cross-pollination in plants. Hybrid seeds can produce only one generation of crops with similar characteristics. So, these seeds cannot be saved by farmers and reused again. Farmers will have to buy new seeds from seed companies.

Organic: Organic seeds are those produced naturally without aid of pesticides or any other chemical substance. These seeds are known to be stronger, disease resilient and with enhanced capabilities to thrive in adverse conditions. Organic seeds are non-GMO. However, organic seeds can be hybrids, produced by cross-pollinating two varieties of organic seeds to get the best attributes of each variety. Organic seeds can be saved by farmers and reused again.

Landrace and Heirloom: Landrace seeds are those native to specific regions of the world. By comparison, heirloom seeds have been removed from their native environment to be grown in other areas of the world. Barring this difference of location, both landrace and heirloom seeds have pure genetics because they have never been cross-bred with any other strains. These seeds are developed naturally through natural or open pollination by wind, birds, animals, insects and even humans. Landrace and heirloom seeds can be saved by farmers and reused again.

it will cause to human health. "There has been active fudging of data and a wholesale deviation from scientific norms in the field testing, from which no meaningful conclusions can be drawn," accuses Ms Rodrigues.

The environmental activists also point out that when farmers are permitted to use DMH-11, they will have to spray glufosinate-ammonium. This will result in killing the weeds and other non-GM crops, including non-GM mustard, growing near the GM mustard. This happens because the bar gene eliminate all crops, including weeds, that do not have bar gene in them (in other words, non-GM crops), leaving the fields standing with only the GM mustard crop.

The Swadeshi Jagran Manch (SJM), a sister organisation of the Rashtriya Swayamsevak Sangh (RSS), opposes the GM crop and fears that chemical herbicides will replace manual labour and lead to job losses.

Denying the green crusaders' accusations, the scientists clarify that DMH-11 has not been developed as an HT crop. They add that the HT trait is only a selection marker or a trait used to identify the crops or the DMH-11 in this case. They point out that glufosinate-ammonium is used in a limited quantity during the seed production phase to isolate the GM mustard from other non-GM varieties of mustard.

"The DMH-11 is a step forward to reduce imports and be self-reliant in oilseed production."

K C BANSAL
Secretary, NAAS

The scientists and the GEAC have "recommended the usage of any formulation of herbicide exclusively for hybrid seed production and not for cultivation in farmers' fields under any situation". In other words, herbicides will be used only during the GM seed production stage by seed companies. But herbicides are barred from being used by farmers during cultivation of crops.

The scientists counter the activists on a lack of safety studies and add that there is enough credible data that shows that DMH-11 is safe for human, animal and plant health. "This should set doubts at rest," says Mr Pental, pointing to the over 4,000-page report in five spiral-bound volumes, loaded with safety data on all requisite parameters that his team has submitted to the GEAC.

Buzz around bees

Honeybees are another cause of concern for the anti-GM groups. They allege that GM mustard plants will drive away bees, prevent pollination the plants, and this could have knock-on environmental catastrophes. And it claims that the effect of one of the genes present in the transgenic hybrid can affect pollinators, specifically bees.

The scientists who developed the DMH-11 have conducted repeated trials over the years and shown that there is no evidence of a reduction of number of bees visiting GM mustard plants. Besides, there are various studies conducted in different parts of the world, which also indicate that bees have been flocking to both non-GM and GM plants without much difference.

Mark Lynas, a British author and journalist focused on environmentalism and climate, has an interesting take on the seemingly ever-growing scepticism of green activists. Mr Lynas, who himself was an anti-GM activist, admitted in 2013 that he was wrong in opposing GM technology. "There is always a demand for more and more ridiculous data. Feeding studies with 100 rats are not enough. We must have 10,000 rats! Or a million! It is just a blocking tactic, aimed at scaring the public. GM technology is as safe as any other form of crop breeding and probably safer," stresses Mr Lynas.

"There has been active fudging of data and a wholesale deviation from scientific norms in the field testing, from which no meaningful conclusions can be drawn."

ARUNA RODRIGUES
Anti-GM Petitioner

The Barnase-Barstar-Bar Wonder

Mr Pental and his team opted for the barnase-barstar-bar gene technology to work around the issue of self-pollination among mustard plants. The barnase-barstar gene technology was first developed by scientists in Belgium in the 1990s to switch male fertility on and off. The scientists at the Delhi University's CGMCP added another gene, bar, improvised the Belgian technology and used it to create the GM mustard.

Barnase and barstar are the genes found in soil bacterium Bacillus amyloliquefaciens. Barnase was first introduced into the Indian variety Varuna. This barnase was able to stop production of pollen in the plant, making the plant male sterile or, in simple terms, a female plant.

Early Heera-2, the East European mustard variety known for higher yields, was then infused with the second gene, barstar. The barstar-implanted Early Heera-2 was cross-pollinated with the barnase-infused Varuna. Barstar blocks the action of barnase and revives male sterility in the offspring. Hence, the cross-pollination resulted in DMH-11, with the barstar gene blocking barnase and reviving male fertility in offspring DMH-11. The hybrid, DMH-11, is both high yielding as well as capable of producing seed, thanks to the barstar gene present in it.

DMH-11 is Dhara Mustard Hybrid-11, where Dhara is the brand name of NDDB, one of the major funders of the research. The digits 11 refer to the number of generations needed for the offspring mustard plant to possess the desirable traits.

Pollination of ideas

Many of the health concerns flagged by environmental activists over GM crops appear to be overblown and meaningless. Frenzy over GM foods is also rather strange because transgenic crops are very much a part of the Indian food chain. Much of India's huge imports of edible oil and other farm products are produced by GM technology.

However, GM crops – only cotton in India's case currently – and, for that matter, a large number of so-called, high-yielding hybrid crops have displaced landraces or local, natural crops on a very large scale. Local crops are naturally-occurring variants of commonly-cultivated crops unlike the crops that are developed by selective breeding (hybrids) or through genetic engineering (GM) to express certain desired traits over the others.

Scaremongering apart, the concern voiced by environmentalists over GM crops replacing local crops is not entirely unfounded. An open-minded analysis of Bt cotton lays bare a bitter truth. Bt cotton may have made India the world's second-largest producer after China and the second-largest exporter after the US. Domestic production of transgenic cotton has more than quadrupled in the past two decades from 8.62 million bales in 2002-03 to 34.10 million bales in 2021-22.

However, the impressive figures hide a very sad story of the indigenous varieties. Just before independence, about 90 per cent of cotton grown in India was of local varieties. But just two decades of Bt cotton have ended up reversing the situation today. Besides, cracks have developed in Bt cotton's success story, with farmers complaining of new diseases impacting the transgenic crop.

The tragedy is not limited to cotton alone. Indian rice researchers had chronicled a whopping over 1,10,000 types of local, indigenous rice crops in the 1950s. That number has now been miserably reduced to a little more than 5,000 varieties. The Green Revolution of the 1960s did turn India from a ship-to-mouth economy to an agrarian powerhouse. But that feat was achieved at a very high cost. The hybrid varieties of rice rapidly drove away the local crops in large numbers. These hybrids demanded more irrigation and use of chemical fertilisers.

A recurring story of Indian agriculture since independence has been the rapid replacement of local crops by hybrids. The proponents of hybrids and GM crops keep on blowing the trumpet of the benefits of high yields. But the cost of seeds and chemical fertilisers is conveniently overlooked. The crisis in modern Indian agriculture is not just the lack of remunerative prices for farmers' crops but also the surging cost of farming, worsened by the exorbitant inputs.

Farmers are able to save and reuse the seeds in the case of organic and local crops. But the seeds of hybrid and GM varieties cannot be saved and reused (*see box* All About GMO, Hybrid & Landrace Seeds *for details*), thus compelling farmers to buy new seeds for each crop. The Protection of Plant Varieties and Farmers' Rights Act, 2001, is primarily designed to allow farmers to save and reuse their seeds. But the law is rendered meaningless when the government and its enormous agencies and research institutes are all engaged in promoting hybrids at the cost of local crops.

Fortunately, there is a glimmer of hope in the form of a few non-governmental organisations (NGOs) who are fighting against all odds to promote local varieties of crops. For instance, Pune, Maharashtra-based BAIF Development Research Foundation; Mysuru, Karnataka-based Sahaja Samrudha; Deheradun, Uttarakhand-headquartered Navdanya – founded by fiery green activist Vandana Shiva –and many more organisations across the country are all saving and reviving long-forgotten landraces of various crops and promoting them among farmers across the country.

Frenzy over GM foods is rather strange because transgenic crops are very much a part of the Indian food chain via imports.

Hybrids have miserably reduced India's over 1,10,000 types of local rice crops in the 1950s to about 5,000 varieties today.

"The over 4,000-page report in five spiral-bound volumes, loaded with safety data on all requisite parameters that has been submitted to the GEAC should set doubts at rest."

DEEPAK PENTAL
Genetic Scientist

"There is always a demand for more and more ridiculous data. Feeding studies with 100 rats are not enough. We must have 10,000 rats! Or a million! It is just a blocking tactic, aimed at scaring the public."

MARK LYNAS, British Author

If NGOs with limited resources can do so much to create seed banks of rare local crops, the government with so much of power at its disposal can do more than paying a mere lip service to the farm sector. In fact, landraces serve multiple objectives of expanding the food basket, widening the biodiversity, improving socio-economic conditions of farmers as well as mitigating climate change.

It is not the purpose here to discredit GM or hybrid crops as they too serve some purpose. Strident views held by opposing groups serve no purpose. It is unreasonable and unnecessary for quite a large number of green activists to label every research work in GM and hybrid crops as designed to serve the MNCs' interests. Besides, fearmongering over health effects of transgenic crops is uncalled for. Similarly, there is no point in the government and proponents of GM technology tarnishing all environmentalists as enemies of the country's progress.

Landraces, GM and hybrid crops can and should coexist for a diverse and richer agrarian economy. The government and its agencies can certainly spare some resources and promote the landraces – which are after all the nation's own valuable treasure – in the same vigour and enthusiasm as seen in GM and hybrid varieties. The nature's wonder of cross-pollination has facilitated in growing and sustaining this rich biodiversity. A similar cross-pollination of diverse minds and ideas of scientists and environmentalists can definitely make life a better place to live. ■

A New Bug

Amid high attrition and talent crunch, Indian IT industry is struggling to come to terms with moonlighting.

IBJ BUREAU

Moonlighting has hit the Indian information technology (IT) sector like a bolt from the blue. Unlike the moon's cool and pleasant light, the harsh heat of moonlighting threatens to singe the prospects of the IT industry. The over Rs 18,50,000-crore IT industry – which is reeling under a very high attrition rate of more than 20 per cent and talent crunch – is desperately seeking a solution to this post-pandemic problem.

The issue took a serious turn recently with Wipro sacking 300 of its employees who were caught moonlighting. Days earlier, Wipro Chairman Rishad Premji had tweeted: "There is a lot of chatter about people moonlighting in the tech industry. This is cheating – plain and simple." In an investors' call recently, Infosys Chief Executive Officer Salil Parekh had also announced that the company had fired some employees as they were found moonlighting.

In plain words, moonlighting is the practice of taking up a second job – part time or full time – that is very often done at night under the light of the moon or outside normal business hours. Moonlighting is certainly not a new concept. It has been quite rampant across many professions, such as among teachers, doctors and even maid servants.

Many reports and studies estimate that around 10 per cent of employees in the domestic IT sector are engaged in moonlighting. A news report by the UK's *Financial Times* cites a research report by background verification company AuthBridge to state that around 8 to 9 per cent of IT employees in India are engaged in moonlighting. Another survey by Kotak Institutional Equities reveals that nearly 65 per cent of Indian IT employees know someone who is pursuing part-time opportunities or moonlighting while working on a full-time job.

"This is the age of employee-entrepreneurs, and companies must now understand that there has been a structural shift in the minds and attitudes of the young Indian tech workforce."

RAJEEV CHANDRASEKHAR
MoS for Electronics & IT

With moonlighting growing at a fierce pace, the IT industry is particularly concerned about employees engaged in the practice sharing corporate secrets with rivals. This has prompted many IT companies and outsourcers to do extensive background checks on employees to identify whether they are moonlighting. They have also begun cracking down on their moonlighting employees, leading to dismissal of a few in some top companies.

Divided views

Moonlighting has divided the IT industry, with a majority of companies against the idea of two-timing. TCS, the country's largest software services company, has termed moonlighting with rival companies an "ethical issue". Like Wipro, Infosys too has forthrightly been against the practice. In a recent email to its employees, Infosys has said quite forcefully: "No Double Lives! No Two-Timing-No Moonlighting!" HCLTech has also stated its stand against moonlighting very clearly that it does not approve of dual employment.

Tech Mahindra, on the other hand, notes that it will support moonlighting if its workers are open about it. The software services company adds that it may consider framing a policy that allows dual employment as long as "someone is meeting the efficiency and productivity norms".

Interestingly, industry veteran T V Mohandas Pai offers a sharply-contrarian view on the controversial issue. The former director and CFO of Infosys asserts that moonlighting is definitely not cheating. He elaborates that employment is a contract between an employer and an employee, who is required to work for certain number of hours per day in return for remuneration paid by the employer. The employee has all the freedom to do what he wants after his office hours, and he can even moonlight of he likes the work or needs some extra money.

Mr Pai, who is the chairman of

Aarin Capital, further adds: "Many gig worker platforms have come up. Tech work has been broken up into bits where people can spend two to three hours and complete it. Technology has enabled the gig worker. So, people will moonlight."

COVID connection

Moonlighting is not new even in the IT sector. The practice, however, saw a spike during COVID lockdowns, when IT employees were working from home. Remote working option gave employees an opportunity to take on freelance projects secretly while still continuing in their regular job.

The concept spread rather rapidly during the lockdowns, when employees were uncertain of their job security. Industry experts and analysts point out that low income, poor treatment from employers, a lack of significant pay rise and other reasons added up to push many IT employees to take up extra work when they were working from home.

Analysts tracking the IT sector note that mid-level IT employees' salaries have risen by around 45 per cent over the past decade. Top executives' pay has also increased by about 90 per cent over the decade. However, salaries of junior IT workers, known as freshers, have stagnated during this period.

IT companies got a whiff of moonlighting when employees refused to return to their offices over a year after the post-COVID normalcy. Despite many requests and even strict instructions, there was stiff resistance from employees to return to their offices. It was then after some discreet probing by IT companies, including review of some employees' tax returns, that the menace came to light.

A new contract

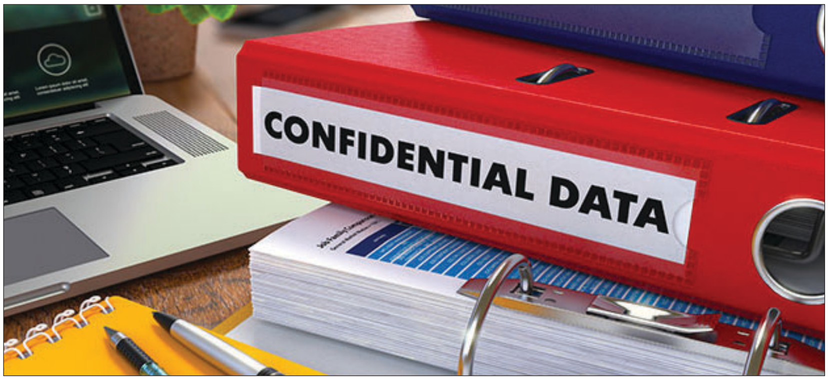
With rising instances of moonlighting, employers are naturally worried about loss of productivity of employees engaged in dual work. Moonlighting obviously leads to division of time, attention and resources, and it is doubtful if such employees can really do justice to any of their jobs. The biggest concern for IT companies is the possible threat of moonlighting employees disclosing corporate secrets –including valuable intellectual property as well as confidential data of their clients – to their rival companies.

Meanwhile, a few Indian and multinational companies in services sector – including banking, insurance, call centres and the like – are considering if they can alter their job contracts and allow moonlighting for their employees on some specific conditions. Food tech startup Swiggy has recently come up with its moonlighting policy, which allows its employees to take up multiple jobs in their free time for economic consideration. Many new-age companies believe that employee-centric policies, including conditional moonlighting, can help them reduce attrition rates.

Minister of State (MoS) for Electronics and Information Technology Rajeev Chandrasekhar has come out in support of moonlighting. "This is the age of employee-entrepreneurs, and companies must now understand that there has been a structural shift in the minds and attitudes of the young Indian tech workforce," the minister opines.

Moonlighting is not as simple as it seems to be. There are many aspects to the issue, including low pay, a monetarily- and perhaps intellectually-stimulating job offer and so on. Moreover, it is not clear today if the employees moonlighting are new entrants or mid-level workers or high-level executives.

A qualitative study on moonlighting can shed more light on the topic. The findings of the study can also help in designing better employment contracts. A transparent employer-employee relationship, cemented by a meaningful employment contract, can turn moonlighting from a threatening adversity into a preferable opportunity. ■



The biggest worry for IT companies is of moonlighting employees disclosing clients' confidential data to rival companies.

"Tech work has been broken up into bits where people can spend two to three hours and complete it. Technology has enabled the gig worker. So, people will moonlight."

T V MOHANDAS PAI
Ex-CFO, Infosys

"There is a lot of chatter about people moonlighting in the tech industry. This is cheating – plain and simple."

RISHAD PREMJI
Chairman, Wipro

A Futile Exercise

A new fertiliser scheme smacks of the bygone licence era regime and achieves little in terms of cutting costs.

IBJ BUREAU

Fertiliser is the latest sector to be ensnared into the government's one-nation obsession. In mid-October, Prime Minister Narendra Modi launched the One Nation, One Fertiliser scheme, which officially has a rather long-winding name: Pradhan Mantri Bhartiya Jan Urvarak Pariyojana (PMBJUP).

Under the new scheme, all subsidised fertilisers – be they urea, Di-Ammonium Phosphate (DAP), Muriate of Potash (MOP) or Nitrogen, Phosphorus and Potassium (NPK) – will be sold under the brand name of Bharat. Accordingly, two-thirds space of each fertiliser bag will have to display the standardised brand Bharat as well as the logo of the scheme PMBJUP. Fertiliser companies are allowed to display their respective names, brands, logos and other relevant product information only on the remaining one-third space of their bags. This norm has come into effect from October 2.

Perils Of The New Policy

- Will disincentivise companies from undertaking marketing and brand promotion
- Will squeeze fertiliser companies' profit margins
- Standardised branding alone not a certificate for good quality of product
- May compel private sector to move out of fertiliser sector
- Cost cutting minimal at Rs 6,000 crore of the subsidy bill of a whopping over Rs 2,00,000 crore

Government's rationale

According to the government, the single brand will help standardise the subsidised fertilisers across the nation irrespective of the company manufacturing them. The government also advocates that the new scheme will ensure farmers the availability of affordable quality fertilisers of the Bharat brand.

The government believes that farmers are confused and in illusion about fertiliser brands. They do not get quality soil nutrients as retailers keep pushing certain brands in return for higher commission. Besides, some companies run aggressive advertising campaigns and project their brands to be of a superior quality. The single brand will eliminate such ways of misleading farmers. Besides, cut-throat competition among companies that push their brands will get reduced with this single branding and ensure sufficient supply of fertilisers across the country.

According to the government, the new scheme will reduce the criss-cross movement of fertilisers, reduce freight subsidy bill and improve timely availability of fertilisers to farmers. "With the One Nation, One Fertiliser scheme, the farmer will get rid of all kinds of confusion about quality of fertilisers and their availability. Now, the urea sold in the country will be of the same name, same brand and same quality, and this brand is Bharat," stressed Mr Modi, while launching the scheme last month.

Convoluted system

The peculiar nature of the Indian fertiliser industry makes it easy for the government to dictate the terms of trade. The domestic fertiliser industry is highly controlled and heavily subsidised by the government. The fertiliser subsidy bill has been spurting year after year and is likely to cross Rs 2,00,000 crore in 2022-23. With the government spending so much, it seems to want to take credit and also drive home the point to the farmers that its PMBJUP scheme ensures that they get the best quality of fertilisers at affordable prices and in a timely manner. These factors appear to be the driving force behind the new branding scheme.

The fertiliser subsidy scheme, like most other government schemes, works in quite a convoluted way. The price of urea is directly controlled by the government, which fixes the maximum retail price (MRP) of urea. The MRP of urea has undergone very little change over the past many years. This has meant that urea is available at dirt-cheap price to farmers. The government bares the actual cost of production of urea by paying fertiliser companies the difference between the actual cost of production or the cost of imports and the MRP.

The MRPs of non-urea fertilisers, such as DAP, MOP and NPK, are decontrolled on paper. Fertiliser companies are free to fix their own prices. However, the government pays fertiliser companies a particular amount of subsidy per tonne on each of these fertilisers. It also informally indicates prices of these fertilisers. The companies adhere to those prices, failing which they would not be paid the per-tonne subsidy.

Earlier, companies were paid subsidies by the government after their fertilisers reached a district's railhead point or an approved warehouse. But since March 2018, companies get subsidy payment only after actual sales to farmers by retailers. Each retailer has a point-of-sale (PoS) machine linked to the Department of Fertilisers' e-Urvarak Direct Benefit Transfer (DBT) portal. Fertiliser companies get subsidy payment only after the PoS machine sends a buyer's Aadhaar or Kisan Credit Card number, his or her name and biometric authentication to the government's DBT portal.

"Now, the urea sold in the country will be of the same name, same brand and same quality, and this brand is Bharat."

NARENDRA MODI
Prime Minister

Awful effects

The One Nation, One Fertiliser scheme is riddled with several problems. It will disincentivise fertiliser companies from undertaking marketing and brand promotion activities as well as extension activities, which provide farmers vital information. These companies will now be reduced to contract manufacturers or importers for the government.

The government is making tall claims of providing standardised, best quality of fertilisers at affordable prices. However, the government is only standardising packaging and branding, which alone cannot assure a good quality of product.

A recent CRISIL report notes that the new fertiliser policy is going to adversely squeeze the margins of manufacturers. With branding no longer in their control, companies will have to build strong marketing and promotional strategies to maintain their market share and growth. This will further add to their selling expenses and impact their margins.

These new measures add an additional layer of control to an already over-controlled industry. The new branding directions smack of the licence era regime and run contrary to the government's oft-repeated claim of "minimum government and maximum governance". There is a risk of the private sector moving out of the fertiliser sector. This will be disastrous as the public sector alone cannot assure quality and timely availability of fertilisers.

A major problem with this government is the transactional nature of its thinking. This government has been time and again stating publicly the amount of subsidy it has been bearing on various services, be they rail tickets or other incentives. The fertiliser scheme also stems from the same mindset. Governments in modern, welfare economies are expected to deliver public services but not keep repeating the cost it is bearing again and again.

The government argues that the scheme will slash freight costs by preventing various fertiliser brands from criss-crossing the country. In fact, the freight component of the cost is minimal at around Rs 6,000 crore of the subsidy bill of a whopping over Rs 2,00,000 crore. The scheme will thus achieve little in terms of cutting costs.

If the government really wanted to prune the bloating subsidies, it should replace the current form of fertiliser subsidy with direct subsidies to farmers through the DBT system. The DBT is quite successful in almost all welfare schemes, including the PM Kisan Samman Nidhi. Direct subsidy to farmers will weed out leakages present in the current system. It can also decontrol one of the last vestiges of the licence era and bring much-needed reforms in the fertiliser sector. ■

Buffett takes $5-bn stake in TSMC

Warren Buffett's Berkshire Hathaway took a stake of about $5 billion in Taiwan Semiconductor Manufacturing Co last month. The purchase is seen as a sign that the legendary investor thinks that the world's leading chipmaker has bottomed out after a selloff of more than $250 billion. The Omaha-based conglomerate acquired about 60 million American depository receipts in TSMC in the three months ended September, it said in a filing. The Taiwanese company produces semiconductors for clients like Nvidia Corp and Qualcomm and is the exclusive supplier of Apple's custom Silicon chips. Apple remains the most valuable single holding in Berkshire's portfolio.

Alibaba posts surprise loss in Q3

Alibaba Group Holding, the e-commerce giant behind Tmall and Taobao platforms, reported worse-than-expected earnings in the third quarter amid a slowing Chinese economy but got revenue back on a growth track. The company reported an unexpected net loss of 20.6 billion yuan ($2.88 billion) under global accounting standards as it marked down the value of its equity investments. Sales grew by 3 per cent to 207.2 billion yuan, slower than the 209.2 billion yuan expected in a poll of analysts. The results came as China grapples with its worst economic challenges in years amid Beijing's strict zero-COVID policy involving snap lockdowns and border controls.

Facebook still banning Trump

Former US President Donald Trump may be running for president again, but he still cannot use Facebook.The social media platform has no plans to reinstate Mr Trump's account following the former president's announcement that he will seek a second term in the White House, the company has confirmed. Mr Trump was kicked off Facebook following the January 6, 2021, attack on the US Capitol. Mr Trump may not have to wait long to get back on the site, however. His suspension from Facebook is set to be reconsidered in January, two years after it was first imposed.

UK's economy to shrink next year

Britain's economy is forecast to shrink next year, the UK's Finance Minister Jeremy Hunt has said as he begins outlining how he and Prime Minister Rishi Sunak will raise taxes and cut spending to repair public finances despite the grim outlook. The new forecast is for GDP to contract by 1.4 per cent next year compared with a projection for growth of 1.8 per cent in the previous outlook published in March by the Office for Budget Responsibility (OBR). Since then, Britain's economy has come under strain from an inflation rate now above 11 per cent and a slowing global economy.

FTX owes big creditors $3.1 bn

Cryptocurrency exchange FTX has said that it owes its 50 biggest creditors nearly $3.1 billion. The exchange owes about $1.45 billion to its top-ten creditors, it said in a court filing recently, without naming them. FTX and its affiliates had filed for bankruptcy in Delaware on November 11 in one of the highest-profile crypto blowups, leaving an estimated 1 million customers and other investors facing total losses in the billions of dollars. The crypto exchange has added that it has launched a strategic review of its global assets and is preparing for sale or reorganisation of some businesses.

Bob Iger back as Disney CEO

In a shocking announcement last month, Disney said that it had reappointed Bob Iger as chief executive, effective immediately. The appointment followed after Mr Iger's hand-picked successor as CEO, Bob Chapek, had come under fire for his management of the entertainment giant. The dramatic upheaval comes 11 months after Mr Iger had left Disney, and days after Mr Chapek had said that he planned to cut costs at the company. Earlier last month, the company's earnings had vastly underperformed Wall Street's expectations. Even

SpaceX workers "illegally" fired

SpaceX executives illegally fired nine workers who had objected to CEO Elon Musk's tweets, alleges a complaint recently filed with the US' Labour Board. After a group of workers had complained this summer that Mr Musk's frequent tweeting of insults, sexual puns and political statements reflected badly on the space exploration company, executives had targeted the employees for dismissal, the workers charge. According to the workers, five of them were fired immediately and four more were let go over the ensuing two months. Mr Musk's management of SpaceX, Tesla and Twitter has come under scrutiny after his acquisition of Twitter.

Foxconn apologises for delay in pay

Foxconn has admitted that a pay-related "technical error" had occurred last month when hiring new recruits at a COVID-hit iPhone factory in China. It has apologised to workers after the company was rocked by fresh labour unrest. Men had smashed surveillance cameras and clashed with security personnel as hundreds of workers had protested at the world's biggest iPhone plant in Zhengzhou city last month, sparked by claims of overdue pay and frustration over severe COVID-19 restrictions. Workers had feared that Foxconn, Apple's major supplier, had intended to delay bonus payments.

its theme park business, which had reported a surge in revenue, delivered less than what analysts had projected.

China drives tech-savvy EVs into Europe

Chinese electric vehicle (EV)-makers have set their sights on winning over European drivers and large corporate customers with more affordable cars that come with top safety ratings and lots of high-tech features. In the last few months, several Chinese EVs have received five-star European New Car Assessment Programme (NCAP) ratings – an achievement that requires loading vehicles with active and passive safety features that go well beyond legal requirements. "All Chinese EV-makers want to achieve Euro NCAP five-star ratings in order to be more competitive in the European market," Brian Gu, the president of Chinese EV-maker Xpeng has said.

Seven countries face currency risks

Nomura has warned that seven countries – Egypt, Romania, Sri Lanka, Turkey, Czech Republic, Pakistan and Hungary – are now at a high risk of currency crises. The Japanese bank has said that 22 of the 32 countries covered by its in-house Damocles warning system have seen their risk rise since its last update since May, with the largest increases in the Czech Republic and Brazil. The model crunches eight key indicators on a country's foreign exchange reserves, exchange rate, financial health and interest rates to give an overall score.

Credit Suisse's clients pull out $88 bn

Credit Suisse has warned that it will lose around $1.6 billion in the fourth quarter after customers pulled their investments and deposits over concerns about the bank's financial health. Switzerland's second-biggest bank by assets has said that outflows were around 6 per cent of its total $1.47 trillion assets, or around $88.3 billion, between September 30 and November 11. Customers in its wealth management arm – its main business serving the world's rich – removed $66.7 billion from the bank. Credit Suisse in late October had said that a social media frenzy around its health was causing large outflows.

US bans sale of 5 Chinese cos' gadgets

The US has banned sale and import of new communication equipment from five Chinese companies, including Huawei and ZTE, amid concerns over national security. Other companies listed include Hikvision, Dahua and Hytera, which make video surveillance equipment and two-way radio systems. It is for the first time that US regulators have taken such a move on security grounds. Hikvision has said that its products present no security threat to the US. It has added that the decision "will do nothing to protect US national security, but will harm US small businesses, local authorities, school districts, and individual consumers".

Demurrage surges past $100,000

With soaring shipping costs come soaring bills for ships doing nothing. In the oil-tanker market, day rates for delayed vessels – think taxis waiting with the metre on – have now reached around the $100,000 mark, according to traders and shipbrokers. Those waiting fees are called demurrage, and it is not unheard of in some locations for delays to have reached seven to ten days, eroding the profit on physical oil trades. Such hold-ups are not out of the ordinary when factors, like bad weather in the North Sea make loadings too risky or COVID controls slow logistics at Chinese ports.

Citi sees 2023 global growth below 2%

Citigroup has forecast global growth to slow to below 2 per cent next year, echoing similar projections by major financial institutions, such as Goldman Sachs, Barclays and JP Morgan. Strategists at the brokerage have cited continued challenges from COVID-19 pandemic and the Russia-Ukraine war – which have skyrocketed inflation to decades-high levels and triggered aggressive policy tightening – as reasons behind the outlook. The Wall Street investment bank expects growth in the US economy to more than halve to 0.7 per cent in 2023 from its earlier 2022 projection of 1.9 per cent growth.

Apple makes $1,820 per second

Do you know how much profit Apple makes every second? It is a staggering over $1,820 (over Rs 1.48 lakh), making the iPhone-maker the world's most profitable company – generating about $157 million (more than Rs 1,282 crore) a day. At second spot, Microsoft makes about $1,404 (Rs 1.14 lakh) per second, and Berkshire Hathaway earns about $1,348 (about Rs 1.10 lakh) a second and comes in third, according to new research by Tipalti, an accounting software financial technology business. While Alphabet makes $1,277 per second at the fourth spot, Meta Platforms generates $924 in profit every second.

Google plans to lay off 10,000 staff

Tech behemoth Google is planning to implement a performance improvement plan that will eventually lead to layoffs of 10,000 employees. Google has asked its managers to single out 6 per cent of staff, or 10,000 employees, who according to them are poor performers. In an earlier notice, supervisors were directed to cut down the inflated scores. Apart from using it to trim the workforce, the tech giant's managers could also employ the performance ratings to lower the perks like bonuses and stocks offered to employees. The decision is said to be taken after pressure from an activist hedge fund, coupled by market slump, requiring cost-cutting measures.

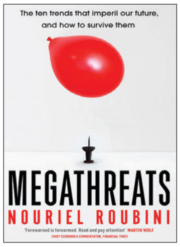
Looming Crises

Noted economist Nouriel Roubini warns that there are no fewer than ten overlapping threats that the post-COVID world is facing today.

Renowned economist Nouriel Roubini was nick named "Dr Doom" until his prediction of the 2008 housing crisis and Great Recession came true – when it was too late. Now, he is back with a much scarier prediction, one that we ignore at our peril. There are no fewer than ten overlapping, interconnected threats that are so serious that he calls them mega threats.

From the worst debt crisis the world has ever seen to governments pumping out too much money, to borders that are blocked to workers and to many shipments of goods, to the rise of a new superpower competition between China and the US, to climate change that strikes directly at our most-populated cities, we are facing not one, not two, but ten causes of disaster. There is a slight chance we can avoid them, if we come to our senses – but we must act now.

MEGATHREATS



Author
NOURIEL ROUBINI

Publisher
LITTLE, BROWN AND COMPANY

Pages: 320

Price: RS 3,200

Roubini certainly has form in predicting calamity, and investors have learnt to ignore him at their cost. The Turkish-born American economist doubts that current crop of central bank governors is up to the challenge. Outstanding economists, such as the Federal Reserve's Ben Bernanke and the European Central Bank's Mario Draghi, have been replaced by the current crop of lawyers and regulators. The strong likelihood is that they will do nothing to stop stagflation that will make the 1970s look like a warm-up act. That will only lead to a Great Stagflationary Debt Crisis, the author writes.

The increased inflation in advanced economies is not "transitory". It is persistent, driven by a combination of bad policies – excessively loose monetary, fiscal and credit policies that were kept in place for too long – and bad luck. No one could have anticipated how much the initial COVID-19 shock would curtail the supply of goods and labour and create bottlenecks in global supply chains. The same goes for Russia's brutal invasion of Ukraine, which has caused a sharp spike in energy, food, fertilisers, industrial metals and other commodities. Meanwhile, China has continued its "zero-COVID" policy, which is creating additional supply bottlenecks.

While both demand and supply factors were in the mix, it is now widely recognised that the supply factors have played an increasingly decisive role. This matters for the economic outlook because supply-driven inflation is stagflationary and thus increases the risk that monetary-policy tightening will produce a hard landing, leading to increased unemployment and potentially a recession.

Beyond economic woes, our turbulent times present us with broader geopolitical mega threats to our way of being. The global backlash against liberal democracy and rise of radical, authoritarian parties of extreme right and left is in part driven by a sharp rise in income and wealth inequality. Workers feel left behind while elites gain wealth and power. This will worsen as jobs are lost, points out the author.

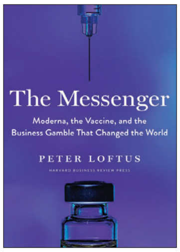
Mr Roubini also takes a dismal view of the impact of artificial intelligence (AI), which is already leading to dangerous concentrations of corporate power, widening social inequalities and the spread of disinformation that undermines democratic politics. Such is the power of AI that it will destroy swaths of white-collar jobs and lead to mass technological unemployment.

In the 1970s, the US faced stagflation: high rates of inflation combined with stagnant employment and growth. Today, we are heading toward a Great Stagflation that will make the 1970s look like a walk in the park. "Sound policies might partially or fully avert one or more of them (the ten mega threats), but collectively, calamity seems near certain. Expect many dark days, my friends," Mr Roubini jauntily concludes.

About the author
Nouriel Roubini *is a professor of economics at New York University's Stern School of Business and founder and chairman of Roubini Global Economics. He has served in the White House and the US Treasury. He lives in New York City.*

Tracking Moderna's Feat

THE MESSENGER



Author
PETER LOFTUS

Publisher
HARVARD BUSINESS REVIEW PRESS

Pages: 320

Price: Rs 1,250

At the start of 2020, Moderna was a biotech unicorn with dim prospects. Yes, there was the promise of its disruptive innovation that could transform medicine by using something called messenger RNA, one of the body's building blocks of life, to combat disease. But its stock was under water. There were reports of a toxic work culture. And despite ten years of work, the company was still years away from delivering its first product. Investors were getting antsy, or worse, sceptical.

Then the pandemic hit, and Moderna, at first reluctantly, became a central player in a global drama – a David to Big Pharma's Goliaths –turning its technology towards breaking the global grip of the terrible disease. By the year's end, with the virus raging, Moderna delivered one of the world's first COVID-19 vaccines, with a stunningly-high rate of protection. The achievement gave the world a way

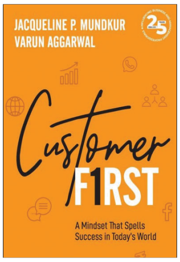
out of a crippling pandemic while validating Moderna's technology, transforming the company into a global industry power. Biotech and the venture capital community that fuels it will never be the same.

Peter Loftus, a veteran reporter of *The Wall Street Journal*, covering the pharmaceutical and biotech industries and part of a Pulitzer Prize-finalist team, brings the inside story of Moderna, from its humble start at a casual lunch through its heady startup days, into the heart of the pandemic and beyond. With deep access to all of the major players, Mr Loftus weaves a tale of science and business. He brings to life Moderna's monumental feat of creating a vaccine that beat back a deadly virus and changed the business of medicine forever. This book spans a decade and is full of heroic efforts by ordinary people, lucky breaks and life-and-death decisions. It is the story of a revolutionary idea, the evolution of a cutting-edge American industry and one of the great achievements of this century.

About the author
Peter Loftus *writes about the pharmaceutical industry and healthcare for* The Wall Street Journal*. Based in Philadelphia, he covers large drugmakers and the latest developments in drug research and innovation.*

A Customer-Centric Approach

CUSTOMER FIRST



Authors
JACQUELINE MUNDKUR & VARUN AGGARWAL

Publisher
SAGE PUBLISHING

Pages: 280

Price: Rs 595

How often have you complained about poor customers' experience at a hotel, an airport, with a telecom operator or even with a neighbourhood grocery store? It could be more often than one would like to think.

What makes this book special is that it has been written by a customers' experience practitioner, and the situations are highly relatable. Besides, there has been a tendency to solve Indian management issues by borrowing solutions and materials from the West. This book scores as it is set in the Indian context and covers current management dilemmas and concerns regarding how to seamlessly integrate and adapt technology into everyday life.

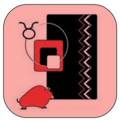
From the biggest global technology companies to the most customer-friendly brands, there are aspects to customers' experience that go amiss despite large budgets or industry best practices. Through 13 relatable stories from Indian businesses, this book highlights lapses in customers' experience efforts and how these issues were tackled or could have been successfully tackled.

About the authors
Jacqueline P Mundkur *is the CEO of The Nxt Levels, a business advisory and consultancy startup. Apart from being a senior multi-sector professional, she is also a Senior Adjunct Faculty at School of Business Management, NMIMS, Mumbai, and on the Retail Board of Studies of KJ SIMSR, Mumbai.*
Varun Aggarwal is *the Asia-Pacific News Editor of the* Foundry *(formerly* IDG Communications*). He has been a business journalist for close to two decades, tracking technology, economic policies, real estate and finance.*

ARIES
Mar 21-Apr 20

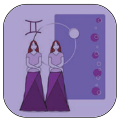
In terms of finances, you may get the predicted gain this month with things going your way suitably. There is a chance of an increase, although savings may not be as expected. This month may provide some reprieve from workload as well as anticipated money gain from your job. Financial choices you make this month may help you greatly in accumulating a nice profit. Unplanned expenses such as travel with may occur.

TAURUS
Apr 21-May 21



This period appears to be less favourable financially as your expenses will probably surpass your budget. The placement of Mars in the ninth house, on the other hand, should be beneficial to your finances. Investing in stocks and shares for the long term is good. Your profits are likely to increase, allowing you to better your financial situation. Economically, this month may be difficult. If you work in business, Mars in the tenth house and Saturn in the seventh house can help you make more money by hastening your advancement.

GEMINI
May 22-Jun 21



You may have average savings this month. You may have a consistent source of money, yet unanticipated and unexpected expenses may arise. According to the stars, there is likely to be a change in the interior of the house. This is not the time to make any substantial land or property decisions. You may have a favourable moment to invest in the stock market, but you should seek expert guidance. Expenses linked to beauty and makeup as well as grooming may be incurred. Unexpected cash gain from in-laws is possible.

CANCER
Jun 22-Jul 22

Stars don't seem to be predicting anything good for your financial situation this month. Any dispute or litigation in which you may be involved could almost likely result in a negative outcome. You need to put in a lot of effort to get a decision on a similar disagreement postponed until a later, more favourable time. There is a good likelihood that any ongoing loan applications or a new proposal for new bank advances may be denied or delayed for one reason or another. Pending loan applications to obtain new advances from financial institutions and banks are unlikely to succeed.

LEO
Jul 23-Aug 23

You should expect ups and downs in this month's financial situation. Although you may have sufficient funds, your relatives may request financial assistance, causing your budget to sway. If you are married, your spouse may demand something important, for which you may have to shell out a significant amount of money. Despite this, you have a decent possibility of seeing a rise in your pay. Some of you may even consider purchasing a new home this month. Avoid speculating with your money in the stock market.

VIRGO
Aug 24-Sep 23

Overall, you may be able to focus on your money management this month. The only thing to keep in mind is that any investment made in frenzy does not turn into an investment. Any financial commitment that involves a significant level of risk should be postponed. So, rather than anticipating rapid money, you should set your budget first and then proceed with spending in areas such as your profession, financial planning or investments. The middle of this month can be a stressful period. However, your effective money management may be able to assist you in overcoming the challenges.

LIBRA
Sep 24-Oct 23

The start of this month may make you overly ambitious and lead you to take unnecessary risks, putting you in danger. As a result, you must proceed with caution this time. As the month progresses, your salary may continue to be sufficient for your financial situation. Planets may compel you to become more diligent in your financial management. The middle of this month foreshadows some significant financial transactions that could have a long-term impact on your financial future. It could result in cash gains as well as good returns on prior investments. As a result, your financial situation may remain stable.

SCORPIO
Oct 24-Nov 22

Your financial situation appears to be stable. This month, you could be able to make a lot of money. In terms of wealth, there may be affluence and rapid advancement. You may be able to purchase a new home or automobile. Some of you may even be thinking of renovating your home. This is an excellent time to put money into a business with the intention of expanding, or you can start something new. However, exercise caution while trading money with others and refrain from lending money this month. Track your expenses this month, and strive to control your spending.

HDFC Bank To Be A Jobbing Stock In 2023

HDFC Bank is an Indian banking and financial services company, headquartered in Mumbai. It is India's largest private sector bank by assets. The bank was incorporated in 1994 as a subsidiary of Housing Development Finance Corporation, with its registered office in Mumbai. Its first corporate office and full-service branch at Sandoz House, Worli, were inaugurated by the then Union finance minister, Manmohan Singh. As of June 30, 2022, the bank's distribution network comprised 6,378 branches across 3,203 cities. It has installed 4,30,000 PoS terminals and has a base of 1,52,511 permanent employees.

Astrological observations

Mercury, the lord of Gemini ascendant, is placed in the 12th house. Thus, the activities related to foreign countries will be positive for this bank. Saturn, which is placed in its own house, will add strength to the horoscope. The only visible challenge is that the lord of finance, which is not going to be that supportive to HDFC.

The only visible challenge for HDFC Bank comes from the lord of finance.

But as the Sun and the Jupiter are aspecting each other, the horoscope shows forward movement.

Important timeframes

- Ketu is passing over Rahu in the fifth house. So, this year also, it can be called a jobbing stock.
- During the month of December 2022, HDFC Bank will move like Nifty. As such, there is no negative move for HDFC Bank here.
- As far as January 2023 is concerned, during the period between January 2 and January 20, 2023, traders should opt for hedging strategy for HDFC Bank along with Nifty as during this period, HDFC Bank and Nifty are both likely to remain volatile and unreliable.

SAGITTARIUS
Nov 23-Dec 21

There may be some minor financial difficulties for a majority of you this month. But your financial needs may be readily met. Despite certain setbacks, your financial situation may not be jeopardised. You will have to put in a lot of effort to boost your income inflow. Reduce your spending, and strive to save money for your future security. This is the period when you will be looking for ways to make money through various investments. Make sure that you get your money from the appropriate place. This would be a wonderful month to enhance your bank account balance.

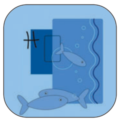
CAPRICORN
Dec 22-Jan 20

Your monthly horoscope predicts that your financial situation may be substantially different this month than it was last month. If you are in business, your long-awaited contract with the company you have been waiting for may finally be completed. A partnership is a suitable option this month. You may be able to boost your turnover even higher. Make it a point to set aside some of your profits, according to your monthly forecasts. Those who intend to invest may see excellent returns in the near future, particularly in speculative trades. Avoid lending money because it may not benefit you.

AQUARIUS
Jan 21-Feb 18

This month, money and your financial life may be very supportive for you. According to your monthly projections, there may be a very decent flow of money, and you may spend it in a balanced manner. Though you may be afraid that disaster is approaching, the period displays no serious financial obstacles. Some of your previous investments have yielded the anticipated results, which may boost your spirits. It may also be a fantastic time to invest in the second half of the year and expect better results than ever before.

PISCES
Feb 19-Mar 20



Overall, your financial situation may be stable this month. Long-term investment in smaller buckets may pay off handsomely. Expert guidance rather than going without thorough verification may be helpful in your business-related task. Saturn may favour international investment as well as home-based businesses. There may be a success in obtaining the anticipated savings. It is possible to spend money on a party and friends. You may incur expenses by purchasing gifts and clothing for a celebration or party. You may have many revenue streams in your business. Do not make a hasty decision about a new business project's tax and financial investment.

The Fearless Girl, a four-foot-tall bronze statue with hands on her hips, stands bang opposite the New York Stock Exchange building. The statue – installed on March 7, 2017, ahead of the March 8 International Women's Day – stands for women's empowerment in a world still dominated by men. The iconic statue was commissioned by State Street Global Advisors, a large asset management company, to advertise for its index fund, comprising companies that have a relatively-high percentage of women in senior leadership positions.

Days before the Fearless Girl was installed, advertising agency McCann ran a successful campaign – *Fearless Girl* – stressing on the significance of women's empowerment. It was one of the most awarded campaigns in the history of the Cannes Lions International Festival of Creativity. That 2017 ad campaign was helmed by Devika Bulchandani, who at that time was the president of McCann North America.

Ms Bulchandani of the *Fearless Girl* fame has now taken charge of rival Ogilvy as its Global Chief Executive Officer. Dev – as the 53-year-old advertising executive is often called in the advertising world – becomes the first-ever woman of Indian origin to head the global operations of Ogilvy, the New York-based British advertising agency. The Amritsar, Punjab-born advertising veteran has been the brain behind many other iconic advertising campaigns that have centred on social causes. Mastercard's most popular *Priceless* as well as the *True Name* – the ad launched in 2019 focused on empowering transgender and non-binary people by allowing them to display their chosen name on their Mastercards – campaigns have Ms Bulchandani's fingerprints all over them.

AT THE HELM

DEVIKA BULCHANDANI

Raised in Amritsar, young Devika attended Welham Girls' School in Dehradun, Uttarakhand. She graduated in English and Psychology from St Xavier's in Mumbai and earned her master's in Communications from the University of Southern California. In 1993, she got married to Ashwin Bulchandani, the chief risk officer of MatlinPatterson Global Advisers, a distressed securities fund based out of New York.

Ms Bulchandani moved to New York soon after her marriage and began her advertising career in 1995 with McCann North America. Many of her socially-inclined ad campaigns at

FACTS FOR YOU

SALE-AND-LEASEBACK DEAL

Air India recently signed a sale-and-leaseback agreement with US-based Willis Lease Finance Corporation for 34 engines to power its 17 aircraft of the Airbus A320 family. Under the agreement, Willis Lease will purchase from Air India 34 CFM56-5B engines and lease them back to the airline.

Since 2005, as the Indian aviation market grew by leaps and bounds, most of the airlines took the sale-and-leaseback route to increase their fleet. IndiGo Airlines, which had remained the only profitable Indian air carrier for a long time, had, in fact, mastered this deal to stay ahead of competition.

For airlines the largest capital cost is that of aircraft. It is a cost that has to be examined carefully and balanced against a host of factors including asset life, depreciation cover and technology transition – to name a few. In this backdrop, a sale-and-leaseback transaction has remained the dominant mode for Indian airlines to acquire aircraft and grow. Interestingly, more than 80 per cent of the commercial aviation fleet in India is under this model. The Indian bet on this model is quite robust when compared to its global counterparts. Worldwide, only around 41 per cent of the commercial fleet is purchased through the sale-and-leaseback transactions.

More than 80% of the Indian commercial aviation fleet is under sale-and-leaseback deals.

In a sale-and-leaseback model, an airline acquires an aircraft at an attractive price from an aircraft manufacturer. Generally, an airline negotiates a discount of up to 40 per cent over the listed price from aircraft manufacturers against large order booking. The airline then sells the aircraft to a

McCann won her several awards and she went on to head the American advertising agency as its North America president.

She left McCann in 2020 to join Ogilvy as president and CEO of Ogilvy North America. Her sterling reputation led to Ogilvy bagging top corporate accounts of Absolut, Enterprise Holdings, World of Hyatt, TD Bank, Audi of America and other big-ticket brands.

The high-flying ad executive joins the long list of Indian-origin CEOs heading top global corporations. In her new role, she will be responsible for Ogilvy's businesses across 131 offices in 93 countries, spanning its advertising, public relations, experience, consulting and health divisions. Ms Bulchandani is one of the few women to break the glass ceiling in the world of advertising, still largely dominated by white men. Her unflinching social commitments could see many more meaningful campaigns that would help make this world a better place to live. ■

lessor, usually at a profit. The airline simultaneously leases the aircraft back from the lessor for its own use. Such deals are important as they are cash generative and also help the airline with fleet flexibility. The sale price under a sale-and-leaseback arrangement is interdependent on future lease payments. The higher the sale price agreed at the start, the higher is the future lease payment by the airline to the lessor.

In this way, an aviation company can get both the cash and the asset it needs to operate its business. A sale-and-leaseback deal is neither debt nor equity financing. It is more like a hybrid debt product. Rising costs and cut-throat competition compel airlines to conserve cash and grow. No wonder, sale-and-leaseback deals are on a roll once again. ■

SPIRITUAL CORNER

The Reality Of This World

Dadashri: *The world is the puzzle itself. Christians, Muslims and Hindus all say that God is the creator of this world. They are correct by their viewpoints but incorrect in fact. If you want to know the facts, you will have to come to 'us'. 'We' give you assurance and a guarantee that no one has created this world.*

There is no one up there in the sky or the heavens, running this world. Only 'We' (the Gnani *and the fully-enlightened Lord within) know how this world runs and who runs it. There is not a single* parmanu *(sub-atomic particle that cannot be further divided) in this universe that 'We' have not traversed through and experienced. From the vantage of both in and out of this universe, 'We' can tell you from all the viewpoints and perspectives, that there is no one up there running everything. 'We' will tell you how this world runs in one simple sentence. Later you may understand it in complete details. This world is run by only scientific circumstantial evidences; no individual entity is running it. Everyone and everything is merely instrumental in the process of its functioning; no one or thing controls it independently. Furthermore, God can never be the doer of anything. If God were the doer, then He would bind* karma *and therefore He would have to suffer the consequences of those* karmas. *If God too is subject to bondage of* karma, *then how can we call him God? Then what difference would there be between you and God?*

Everything you hear is nothing but humbug! People act according to their own understanding. People think that there are no consequences for their actions, and so they continue with lies at will. This world is not haphazard by any means; the world is a fact, but it is a relative fact, and the Self is the real fact. When the Gnani Purush *places you in the real fact, then it becomes your abode of freedom (*muktidham*).*

People believe that this world is without any basis; they think they can enjoy themselves in any way they want and that no authority is going to question them. The fools! This world is not like that. 'You are whole and sole responsible for yourself.' You carry the burden of your previous life and responsibility of your future life. Make sure that you do not make even the slightest mistake. God does not interfere in this at all. Will you not have to understand this world? How long can you go on living and perpetuating this falsehood? Will you not have to solve this puzzle? How long will you go on being trapped in this entanglement?

Only Solution To Solve The Worldly Puzzle

*The world is the puzzle itself. There are two viewpoints to solve this puzzle: one is a relative viewpoint, and the other is a real viewpoint. By relative viewpoint, you are Chandulal, and by real viewpoint you are a pure Soul (*Shuddhatma*). All your puzzles will be solved if you look at the world with these two viewpoints. This verily is the divine vision (*divyachakshu*). But you will not gain anything until* Gnani Purush *destroys the sins of your countless previous lives and gives you realisation of your real Self. Nothing can be attained without a living manifest enlightened being (*pratyaksh pragat purush*).*

P.S.: When Dadashri says 'We', He is referring to the Gnani Purush *and the fully-enlightened Lord within Him.*

For more information on Dadashri's spiritual science, visit dadabhagwan.org

Getting The Pricing Right

VIJETA SONI
Co-Founder & CEO, Sciative Solutions

Vijeta Soni is very passionate about getting the pricing of everything right. So, in 2015, Ms Soni and a group of like-minded people came together and set up Sciative Solutions. Using artificial intelligence and high-technology, the Vashi, Navi Mumbai-headquartered company has created a pricing software which discovers the right price for every product, every market, every customer and every single transaction.

Ms Soni, the co-founder and CEO of Sciative Solutions, is an alumnus of IIM Bangalore and the University of Houston, Texas. She is also a proud member of Goldman Sachs 10K Women Entrepreneurs. With over 16 years of experience in digital transformation and technology adoption, Ms Soni has worked with a wide range of companies, including Overstock.com, Reliance Industries, Jio Institute and many others. In an engaging conversation with **Sharmila Chand**, *Ms Soni speaks about herself, her interests and her work.*

How do you define yourself?
An honest world citizen and proud Indian who wants to make a positive impact across industries and societies

What is your philosophy of life?
My philosophy resonates with Stephen R Covey's quote: "Live, Love, Learn, and Leave a Legacy.

What is your passion in life?
Passionate about continuous learning

What is your management *mantra*?
Take time, but build the right team for long-run success.

A business leader you admire the most...
I have had the privilege to work with Mukesh*bhai* Ambani. I am highly touched by his sheer passion for positively impacting for the larger good of society and the nation.

Your source of inspiration...
My parents inspire me because they defy age. Post-retirement, they followed their passion and become Youtubers. I am also inspired by my mother-in-law, who went against the status quo.

You are a tough, serious boss or…?
Different situations call for different sorts of leadership.

What do you enjoy the most in life generally?
Challenges and risks

How do you de-stress?
Reading, playing a game of Wordle or chess with my son and having long walks with my husband

Your *mantra* for success...
Be honest, be futuristic, and keep yourself intelligent!

Ten years from now, where do we see you?
Pricing space travel

Can you define yourself in one sentence?
A woman in tech, a mother, an entrepreneur and a curious soul at heart!

Write to us at chand.sharmila@gmail.com

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